

## CONTRACT DECLARATIONS & EXECUTION

<b>RFP #</b>	<b>Contract #</b>
Med 09-010	MED-09-020
<b>Title of Contract</b>	
Iowa Plan for Behavioral Care	

This Contract must be signed by all parties before the Contractor provides any Deliverables. The Departments are not obligated to make payment for any Deliverables provided by or on behalf of the Contractor before the Contract is executed by all parties. This Contract is entered into by the following parties:

<b>Iowa Department of Human Services</b>	
<b>Principal Address ("Notice Address") of Iowa Dept. of Human Services (DHS):</b> Iowa Department of Human Services Attn: Cynthia Tracy 100 Army Post Rd. Des Moines, IA 50315	<b>DHS Contract Manager Name/Address:</b> Cynthia Tracy Iowa Medicaid Enterprise 100 Army Post Rd. Des Moines, IA 50315 Phone: 515-725-1145 Fax #: 515-725-1360 E-Mail: <a href="mailto:ctracy@dhs.state.ia.us">ctracy@dhs.state.ia.us</a>
<b>Iowa Department of Public Health</b>	
<b>Principal Address ("Notice Address") of Iowa Dept. of Public Health (IDPH):</b> Iowa Department of Public Health Kathy Stone, Division of Behavioral Health Lucas State Office Bldg. 321 E. 12th St. Des Moines, IA 50319	<b>DPH Contract Manager Name and Address:</b> Kathy Stone, Director IDPH Division of Behavioral Health Lucas State Office Bldg. 321 E. 12th St. Des Moines, IA 50319 Phone: 515-281-4417 Fax: 515-281-4535 E-mail: <a href="mailto:kstone@idph.state.ia.us">kstone@idph.state.ia.us</a>

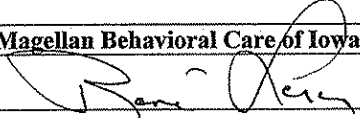
The Iowa Department of Public Health and the Iowa Department of Human Services shall be referred to throughout this document in the collective as the "Departments" unless otherwise noted.

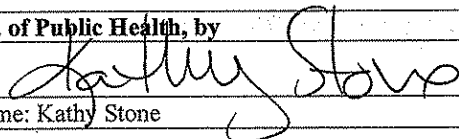
<b>Contractor: (hereafter "Contractor")</b>	
<b>Legal Name:</b> Magellan Behavioral Care of Iowa, Inc.	<b>Principal Address ("Notice Address"):</b> 2600 Westown Parkway, Suite 200 West Des Moines, IA 50266
<b>Doing Business As Name(s):</b> N/A	
<b>Tax ID #:</b> 22-3341850	<b>Organized under the laws of:</b> State of Iowa
<b>Contractor Contract Manager Name/Address:</b> Joan Discher 2600 Westown Parkway, Suite 200 West Des Moines, IA 50266	<b>Phone:</b> 515-273-5005 <b>Fax #:</b> 888-656-4912 <b>E-Mail:</b> <a href="mailto:jmdischer@magellanhealth.com">jmdischer@magellanhealth.com</a>

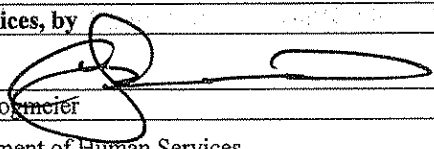
<b>Contract Information</b>		
<b>Start Date of Base Term:</b> on the date last signed below	<b>End Date of Base Term:</b> 6/30/2012	<b>End Date (including renewals):</b> 6/30/2015 <b>Possible Extensions:</b> 3 one-year extensions
<b>Does This Contract Include Sharing SSA Data?</b> YES		
<b>Contract Contingent on Approval of Another Agency:</b> YES (CMS)		

<b>Contract Financial Information</b>		
<b>Warranty Period:</b> The term of this Contract.		<b>Federal Funds Involved?</b> YES
<b>Insurance Requirements</b>		
Type of Insurance	Limit	Amount
General Liability (including contractual liability) written on occurrence basis	General Aggregate	\$2 Million
	Product/Completed Operations Aggregate	\$1 Million
	Personal Injury	\$1 Million
	Each Occurrence	\$1 Million
Automobile Liability (including any auto, hired autos, and non-owned autos)	Combined Single Limit	\$1 Million
Excess Liability, Umbrella Form	Each Occurrence	\$1 Million
	Aggregate	\$1 Million
Workers Compensation and Employer Liability	As required by Iowa law	As Required by Iowa law
Property Damage	Each Occurrence	\$1 Million
	Aggregate	\$1 Million
Professional Liability	Each Occurrence	\$2 Million
	Aggregate	\$2 Million

This Contract consists of the above information, the attached General Terms for Services Contracts, Contract Certifications, Special Terms, and all Special Contract Attachments (hereafter "Contract"). In consideration of the mutual covenants in this Contract and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into this Contract and have caused their duly authorized representatives to execute this Contract.

<b>Contractor, Magellan Behavioral Care of Iowa, Inc., by</b>	
Signature: 	
Printed Name: René Lerer	
Title: Chairman & CEO	Date: 6-26-09

<b>Iowa Dept. of Public Health, by</b>	
Signature: 	
Printed Name: Kathy Stone	
Title: Director, Division of Behavioral Health, Iowa Department of Public Health	Date: 6/30/09

<b>Iowa Dept. of Human Services, by</b>	
Signature: 	
Printed Name: Charles J. Kromm	
Title: Director, Iowa Department of Human Services	Date: 6/30/09

## Section 2

### 2.1 Special Contract Terms

#### 2.1 (1) NATURE OF THE CONTRACT

This Contract is a risk-based contract for Medicaid mental health and substance abuse services in which the Contractor will be responsible for assuring, arranging, monitoring, and reimbursing all necessary and appropriate mental health and substance abuse services and supports for all enrolled Medicaid members as specified in the RFP MED-09-010 (hereinafter "RFP").

There will be no provisions for the sharing of risk between the Contractor and the Departments or the state. The Contractor shall meet the requirements of a Prepaid Health Plan as set forth in the Iowa Administrative Code 441 Chapter 88.61 and cited CFR references.

The Contractor will provide specific administrative services for the IDPH-funded delivery system. Contractor will not bear the risk for the delivery of IDPH substance abuse services.

#### 2.1(2) SCOPE OF WORK.

The Scope of Work for this Contract shall be consistent with the requirements of RFP MED-09-010 Sections 4 through 6 issued by the Departments.

#### IMPLEMENTATION MEETINGS

Implementation Meetings will commence within a thirty (30) days of the execution of the Contract. Such meetings are intended to address contract requirements with a focus on progress on the priorities listed in Section 1.2 of the RFP and details for the new and revised services. The meetings will be scheduled weekly to discuss implementation.

Discussion points will include may include but are not limited to the following:

- Provider, member, social worker, TCM, and community education of changes in administration and services
- Details of proposed new services with effective dates
- Performance reports
- Provider Network
- Supporting Children in mental health PMICs and in MHIs
- Expansion of Telehealth
- Use of Consumers in the Quality Improvement process
- Communication tools available for Providers and Members
- The goals of the annual review of services
- Administrative Activities implementation

## **PRIOR APPROVAL**

The Departments require prior approval for new behavioral health services and use of a measurement, outcome, or assessment tool.

For services to IDPH Participants, the Contractor shall competitively procure a network in accordance with 401 IAC, chapter 12. The Contractor is required to initiate procurement of the IDPH provider network through release of a competitive Request for proposals in July, 2009. All procurement efforts must be approved by IDPH.

### **2.1(3) CONTRACT PAYMENT CLAUSE**

The Departments shall reimburse Contractor for work performed in accordance with the General Terms for Services Contracts and the terms of this Section.

#### **2.1(3)(a) Capitation Payment for Medicaid Enrollees:**

DHS has established actuarially sound capitation rates for Medicaid mental health and substance abuse services included in the Iowa Plan for such Medicaid Enrollees ("Enrollees"). These rates may change for each state fiscal year. Rates are recalculated for each state fiscal year of the contract. The state will release actuarially sound capitation payment rates for the first year of the contract resulting from the RFP in the spring of 2009. There are fourteen different Medicaid per member per month capitation rates. The rates vary depending on the Medicaid Member's age, gender and category of assistance (i.e., FMAP, SSI, those dually eligible for Medicare and Medicaid and those in Foster Care. The Foster Care rate includes members in a SA PMIC or MHI). Beginning July 1, 2010, there will be sixteen capitation rates when the over 65 years of age population is added.

Following presentation of the rates, Contractor shall formally accept or contest the rates within 30 days. Agreed upon rates shall be incorporated into the Contract through a formal Contract Amendment. Once Contractor accepts offered rates and the parties have executed a formal Contract Amendment, Contractor waives all claims it has or may have in the future regarding the soundness of the rates agreed to or the basis on which they were developed.

If the Contractor does not agree to the proposed capitation rates, DHS and Contractor shall seek to resolve any disagreements through discussions for a period of no more than 30 days (the "Discussion Period"). If the parties have not agreed to the capitation rates by the end of the Discussion Period through a formal Contract Amendment, the Departments will as soon as is practicable issue a new RFP to replace the Contractor. Until such time as a replacement vendor is fully operational, the exiting Contractor shall continue to provide services pursuant to this Contract and shall be reimbursed based on the greater of the following:

1. The capitation rates that were in effect before Contractor's refusal to accept new capitation rates, if those rates remain actuarially sound, or
2. The capitation rates that were offered by DHS but contested by Contractor.

The total monthly capitation payment will be made based upon the list of Enrollees that is supplied to the Contractor. The payment will be made prior to the 15th day of the month of

eligibility. Adjustment will be made for new and reinstated Enrollees and for persons who appear on the eligibility list but are no longer enrolled in the Iowa Plan due to an exclusionary change in their eligibility. The capitation payment constitutes payment in full.

Medicaid capitation rates will be adjusted if additional services or populations are added by DHS or if any services or populations are excluded from the scope of services.

### **2.1(3)(b)(1) Community Reinvestment Account**

a) The Contractor shall establish a Community Reinvestment Account as an account separate from other accounts required in Section 6.6 of the RFP and any other accounts that may be required by state or federal law. The Community Reinvestment Account shall be funded by the Contractor in three ways:

- at least quarterly the Contractor shall transfer into the Community Reinvestment Account 2.5% of the total capitation payment;
- all moneys assessed by the Departments as disincentives or liquidated damages shall be paid by the Contractor to the Community Reinvestment Account, and
- after the close of each contract year after services for that year are reimbursed, all moneys remaining in the Medicaid Claims Fund shall be transferred to the Community Reinvestment Account.

b) The DHS funds in the Community Reinvestment Account shall be used for Member Services and Provider Development/Customer Outreach as specified below.

1. Member Services: Funds in the Community Reinvestment Account are generally for member services. These shall be additional 1915(b)(3) services to Enrollees as allowed under the cost savings aspect of the federal waiver. All such projects shall meet the prior approval of DHS and CMS. DHS, at its sole discretion, may determine that funds in this category will be used to increase provider payments so as to achieve enhanced access or maintain access as appropriate to meet the needs of its recipients.
2. Provider Development/Customer Outreach: Up to a maximum of 30% of the funds in the Community Reinvestment Account can be used for provider development and training, consumer and family and education, and outreach. Expenditures will be made only with the approval of DHS and CMS.

c) Any IDPH funds assessed as disincentives or liquidated damages will be used for IDPH substance abuse services as determined by IDPH.

d) All interest accrued from funds held in the Community Reinvestment Account belong to DHS and shall be accounted for by the Contractor and returned to DHS within 45 days of the end of each calendar quarter.

All interest accrued from IDPH funds held in the Community Reinvestment Account belong to IDPH and shall be accounted for by the Contractor and returned to IDPH within 45 days of the end of each calendar quarter.

e) Any funds remaining in the Community Reinvestment account will be returned upon request to the DHS at the end of each state fiscal year and upon termination or expiration of the Contract. Funds remaining in the Member Services Account shall remain in the Account to be used for direct services. Funds that remain unspent or otherwise unencumbered will be returned to the DHS upon termination or expiration of the contract. However, the DHS may require that any or all funding placed into the Community Reinvestment Account be returned to the DHS upon notice. Federal matching funds will be refunded to CMS as required. Contractor shall not benefit directly or indirectly in any way from funds held in the Community Reinvestment Account.

Any IDPH funds remaining in the Community Reinvestment account will be returned upon request to IDPH at the end of each state fiscal year and upon termination or expiration of the Contract. IDPH may require that any or all IDPH funding placed into the Community Reinvestment Account be returned to IDPH upon notice.

### **2.1(3)(b)(2) Claims Fund**

A claims fund must be established that will consist of the percentage remaining after the contractors administrative fee is deducted from the monthly capitation amount and the deduction of the community reinvestment amount. This claims fund shall be placed into an interest bearing account such that any funds in the account may earn interest. All such interest earned shall be the property of the Department of Human Services. Such funds will be accounted to DHS on a regularly monthly basis. DHS may request such funds to be paid to DHS as DHS may specify, at any time. The contractor shall have no right to any interest from any account established pursuant to this contract.

### **2.1(3)(c) Medicaid Incentive Payments**

In addition to the capitation payments, DHS has allowed for a maximum of \$1,000,000 in incentive payments per contract year to be paid to the Contractor based upon the Contractor's attainment of certain performance indicators. The incentive payments will be awarded as follows in the first year of the contract and are subject to renegotiation in subsequent years of the contract.

Indicator	Weight
1. Quality of Care: Mental Health Readmission	10%
2. Quality of Care: Community Tenure	10%
3. Service Array: Integrated Services and Supports	10%
4. Quality of Care: ER Utilization	20%
5. Quality of Care: Follow-up After Hospitalization for Mental Illness	10%
6. Quality of Care: Follow-up After Hospitalization for Substance Abuse Treatment	10%
7. Quality of Care: Treatment of the Dually Diagnosed	20%
8. Network Management	10%

The DHS Director will annually distribute the incentive payment if performance indicators selected by the Director for the contract year for incentive-based pay are met according to the specifications pursuant to each performance indicator. The weight given to each performance

indicator will be determined at the outset of each contract year by DHS. Indicators to which incentive payments will be attached for the first Contract Year and the specifications describing how performance will be assessed relative to each indicator are included in Attachments to Section 9 of the RFP. The indicators can be revised with input and recommendations from providers.

The amount of incentive payment earned by the Contractor will be calculated after receipt of the independent audit required in Section 6.5.3.1 of the RFP which shall be no sooner than 6 months following the end of the contract year. Determination of the Contractor's level of achievement shall be at the sole discretion of DHS.

In making the \$1,000,000 available as incentive payments to the Iowa Plan Contractor, DHS does not guarantee that any or all of the available payments will be paid to the Contractor. The amount of the incentive payments paid to the Contractor shall be dependent upon the level of performance demonstrated by the Contractor. The specific portion of the \$1,000,000 tied to each performance indicator shall be negotiated between the Contractor and the Departments.

Incentive payments earned by the Contractor shall not be included in calculations of either the Medicaid Claims Fund or the Medicaid Administrative Fund required under the terms of the contract.

#### **2.1(3)(d) Payment for IDPH Substance Abuse Services**

IDPH will establish the monthly payment amount. IDPH will pay the agreed-upon payment rate upon receipt of an invoice for incurred expense. Every reasonable effort will be made to make payment within 15 days of receipt of an invoice. Payment of this rate constitutes payment in full. Payment may be adjusted based on the Contractor's performance. See the Attachments to Section 9 of the RFP for performance indicators with financial disincentives. The payment rate may be adjusted dependent upon state and block grant funding.

#### **2.1(3)(e) Payment for Persons Who Use Methamphetamine**

In 2009, the Iowa State Legislature did not specify funding specifically for treatment services provided to Iowans who use Methamphetamine ("Meth Funding"). IDPH and the Contractor will review and modify Section 4B.3.2 of the RFP as indicated.

#### **2.1(3)(f) Certification**

Data submitted by the Contractor that results in state payments to the Contractor, must be certified. This includes encounter data and the annual performance indicator report.

The Contractor's Executive Director, Financial Officer, or an individual who has delegated authority to sign for, and who reports directly to the Contractor's Executive Director or Financial Officer, must attest, based on best knowledge, information, and belief as to the accuracy, completeness and truthfulness of the documents and data.

The Contractor must submit the certification concurrently with the certified data and documents.

## **2.1(4) REMEDIES IN THE EVENT OF CONTRACTOR'S FAILURE TO PERFORM**

### **2.1(4)(a) Liquidated Damages**

Liquidated damages may be assessed against the Contractor for the following:

- a) Upon failure to attain or retain accredited status as required by the terms of the contract liquidated damages of 1% of each month's capitation payment for each month of non-compliance shall be assessed.
- b) Upon failure to comply with the pre-implementation deadlines discussed in Section 6.2 of the RFP regarding the requisite activities to be performed during the pre-implementation and preliminary implementation of the contract, the liquidated damages assessed shall equal \$5000 per day;
- c) Upon failure to begin full operation of the Iowa Plan on January 1, 2010, liquidated damages assessed shall equal \$150,000 for each month implementation is delayed. The amount of damages may be prorated if necessary.
- d) Upon failure to provide adequate management of contract funds in accordance with this Agreement, including but not limited to, failure to comply with SAMHSA block grant requirements, the liquidated damages assessed shall equal 5% of the annual IDPH payment. Contractor shall not be responsible for any liquidated damages if the failure to meet any standard is due to the error or omission of DHS or DPH.

### **2.1(4)(b) Medicaid Performance Indicators with Disincentives**

In addition to the general contractual expectations, there are other specific levels of performance that must be maintained by the Contractor at all times. Disincentives will apply if the Contractor fails to perform at the minimum levels specified. A list of performance indicators that include disincentives is provided in the Attachments to Section 9 of the RFP. An example of the Performance Indicator incentive and disincentive methodology is also provided in the Attachments to Section 9 of the RFP. Additional disincentives will be assessed for lack of or lateness of reports specified in Section 6.5 of the RFP as follows:

- Disincentives will be assessed at \$500 per report for reports that are not submitted by the due date for the first month or reporting period a report is not submitted. If the Contractor is out of compliance a second month or reporting period, a disincentive payment of \$1,000 will be assessed per report. Failure by the Contractor to submit the necessary report(s) for a third reporting period shall result in an additional \$1,000 disincentives for each report or the Departments may terminate the contract in accordance with standards specified herein;
- Additional disincentives will be assessed for lack of or lateness of correcting encounter data as specified in Section 6.5.1 of the RFP. Disincentives are assessed as \$500 for the first month in that all corrections to the monthly encounter data submission are not finalized within 45 days from the date the initial error report for the month was sent to the Contractor or 59 days from the date the initial encounter data were due. If the Contractor is out of compliance a second month, a disincentive payment of \$1,000 will



be assessed. Failure by Contractor to submit the necessary encounter date in accordance with standards established in Section 6.5.1 of the RFP for a third reporting period shall result in an additional \$1,000 per month disincentive or the Departments may terminate the contract in accordance with standards specified herein.

#### **2.1(4)(c) IDPH Performance Indicators with Disincentives**

In addition to the general contractual expectations, there are other specific levels of performance that must be maintained by the Contractor at all times. Disincentives will apply if the Contractor fails to perform at the minimum levels specified. A list of performance indicators that will include disincentives is provided in the Attachments to Section 9 of the RFP. An example of the Performance Indicator incentive and disincentive methodology is also provided in the Attachments to Section 9 of the RFP. In addition, disincentives will be assessed at \$500 per report for reports that are not submitted by the due date for the first month or reporting period a report is not submitted. If the Contractor is out of compliance a second month or reporting period, a disincentive payment of \$1,000 will be assessed per report. Failure by the Contractor to submit the necessary report(s) for a third reporting period shall result in an additional \$1,000 disincentive for each report or the departments may terminate the contract in accordance with standards specified herein.

#### **2.1(4)(d) Cost Sharing Prohibited (Enrollees only)**

The Contractor shall not require co-payment or cost sharing by any Enrollee for any of the services covered under the contract. The Contractor must ensure that Enrollee cost sharing is not imposed by any provider reimbursed for services through the Iowa Plan. The Contractor will further assure that providers will accept negotiated rates as full payment of services provided under the Contract and will not charge Enrollees for services if payment is denied by the Contractor due to the provider's failure to adhere to contractual requirements in the provider's contract with the Contractor. The Departments reserve the right to assess a penalty against the Contractor for failure to comply with this requirement. In the event the Contractor or a provider imposes a co-payment or cost sharing, upon notice the amount imposed shall be remitted by the Contractor to the Departments.

The Contractor shall not charge, or permit those who provide services to Iowa Plan Enrollees to charge, Enrollees for missed appointments.

#### **2.1(5) FRAUD AND ABUSE**

The Contractor shall diligently safeguard against the potential for, and promptly investigate reports of, suspected fraud and abuse by employees, subcontractors, providers, and others with whom the Contractor does business. The Contractor shall provide the Departments with the Contractor's policies and procedures on handling fraud and abuse.

2.1(5)(a) The Contractor shall have in place a method to verify whether services reimbursed by the Contractor were actually furnished to Eligible Persons as billed by providers.

2.1(5)(b) The Contractor must report within two working days to the appropriate Department any evidence indicating the possibility of fraud and abuse by any member of the

provider network. The Contractor also shall provide the Departments with an annual update of surveillance activity, including corrective actions taken.

2.1(5)(c) The Contractor shall have administrative and management arrangements or procedures, and a mandatory compliance plan, that are designed to guard against fraud and abuse and include the following:

- written policies, procedures, and standards of conduct consistent with all applicable federal and state laws pertaining to fraud and abuse;
- the designation of a compliance officer and a compliance committee that are accountable to senior management;
- effective training and education for the compliance officer and the staff;
- effective lines of communication between the compliance officer and staff;
- enforcement of standards through well-publicized disciplinary guidelines;
- provision for internal monitoring and auditing, and
- provision for prompt response to detected offenses, and for development of corrective action initiatives relating to the contract services.

2.1(5)(d) The Contractor may not knowingly have a relationship with the following:

- a. an individual who is debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549, or
- b. an individual who is an affiliate, as defined in the Federal Acquisition Regulation, of a person described in paragraph (a)(1) of the regulation.

For the purposes of this section, "Relationship" is defined as follows:

- a director, officer, or partner of the Contractor;
- a person with beneficial ownership of five percent or more of the Contractor's equity, or
- a person with an employment, consulting or other arrangement with the Contractor under its contract with the State.

2.1(5)(e) The Contractor shall notify the State of any person or corporation that has 5% or more ownership or controlling interest in the Contractor.

2.1(5)(f) The Contractor shall not expend Medicaid funds for providers excluded by Medicare, Medicaid, or SCHIP, as notified by DHS, except for emergency services.

2.1(5)(g) The Contractor must require each individually contracted physician to have a unique identifier.

2.1(5)(h) The Contractor shall report fraud and abuse information to DHS. The report will include the following to the extent such information is available:

- the number of complaints of fraud and abuse made to DHS that warrant preliminary investigation, and
- for each complaint which warrants investigation, the following information: name-ID number; source of complaint; type of provider; nature of complaint; approximate dollars involved; disposition of the case.

2.1(5)(i) The Contractor shall document that safeguards at least equal to federal safeguards (at 41 USC 423, section 27) are in place.

## **2.1(6) CONTRACT PERFORMANCE DISPUTES AND APPEALS**

The Contract is not subject to arbitration. Any performance issues related to services provided to Enrollees shall be identified in writing and submitted to the state Medicaid Director. Any performance issues related to IDPH Participants receiving substance abuse services shall be identified in writing and submitted to the Director of the IDPH Division of Behavioral Health. All disputes concerning Enrollees or Medicaid services shall be decided by the state Medicaid Director. All disputes concerning IDPH Participants and substance abuse services shall be decided by the IDPH Director of the Division of Behavioral Health. The state Medicaid Director and the Director of the IDPH Division of Behavioral Health shall consult and issue a joint decision on issues that relate to Medicaid substance abuse services. Decisions shall be issued in writing with copies to the Contractor and the Department Directors.

The Directors' decision shall be final unless within five (5) days from the date of service of such copy the Contractor files a written appeal with the Department Directors.

In connection with any appeal proceedings under this subsection, the Contractor and the Departments shall be afforded an opportunity to present written argument or evidence relative to the appeal.

The appropriate Director shall render a decision within ten (10) days after the appeal is filed. A decision by a Director shall be final for purposes of Iowa Code Chapter 17A. Pending a final determination of any dispute, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Director's decision.

## **2.1(7) CHANGES OF KEY IOWA PLAN PERSONNEL**

The name(s) and title(s) of the Contractor's contact person or persons shall be specified in the contract. This person(s) will be responsible, with designated staff of the Departments, for communication and coordination between the Contractor and the Departments. The Contractor also is required to provide to the Departments the names of key on-site staff (see Section 6.1 of the RFP). The Departments reserve the right to approve key personnel hired by the Contractor, and shall not withhold or delay such approval unreasonably.

If, for any reason, substitution or elimination of a contact person or any key staff person becomes necessary, the Contractor shall provide written notification to the Departments. The

Contractor shall notify the Departments in writing within five (5) working days of any change of key personnel. Such written notification shall include the proposed successor's name and curriculum vitae.

The Departments further reserve the right to approve the transfer of responsibility from any interim staff to regular on-site staff hired by the Contractor.

#### **2.1(8) MAINTENANCE OF LOCAL FUNDING FOR SUBSTANCE ABUSE SERVICES (IDPH Participants only)**

The Contractor shall assist network providers in developing other sources of financial support for program activities, including the following activities:

- (1) recover, to the maximum extent feasible, third-party revenues to which the Contractor is entitled as a result of services provided;
- (2) garner all other available federal, state, local and private funds, and
- (3) charge IDPH Participants according to their ability to pay for the services provided, based on the sliding fee schedule developed. The sliding fee schedule shall be developed by IDPH and the Contractor using standardized guidelines provided by IDPH. Variances from these guidelines must have prior written IDPH approval. IDPH Participant billing and collection procedures shall be consistent with those established and provided by the IDPH. Services funded partially or completely by IDPH shall not be denied to a person because of the inability of the person or group to pay a fee for the service. Factors of individual/immediate family income and family size are to be used in developing the sliding fee schedule.

#### **2.1(9) DISALLOWABLE EXPENSES (IDPH Participants only)**

Contract funds can be expended only for services and activities covered in the Contract. Unless specifically allowed by special condition, IDPH contract funds may not be expended for:

- purchase of land or construction of building or improvements thereon, or payment of real estate mortgages or taxes;
- purchase of major medical equipment;
- costs related to political activity;
- any bonus, commission or fee paid by the Contractor for the purpose of applying for or obtaining a IDPH contract;
- distribution of sterile needles for the hypodermic injection of any legal drug or distributing bleach for the purpose of cleansing needles for such hypodermic injection;
- carrying out testing for the etiologic agent for acquired immune deficiency syndrome unless such testing is accompanied by appropriate pre-test and post-test counseling.
- any salary in excess of \$125,000 per year;
- cost of services that are paid for by another organization or individual;
- inpatient hospital treatment;
- satisfying the requirement for expenditures of non-federal funds as a condition for the receipt of federal funds;

- subcontracting for treatment services by organizations other than government or private non-profit entities, and
- payments to intended recipients of health services.

#### **2.1(10) PAYMENT OF LAST RESORT (IDPH Participants only)**

IDPH funds, as provided by the Contract, are to be used as "payment of last resort," i.e., all other available funds must be used prior to billing funds available through the Contract.

#### **2.1(11) NON-SUPPLANTING REQUIREMENT (IDPH Participants only)**

Federal funds made available under the Contract shall be used to supplement and increase the level of state, local and other non-federal funds that would in the absence of such federal funds be made available for the programs and activities for which funds are provided and will in no event take the place of state, local and other non-federal funds.

#### **2.1(12) PUBLICATIONS, COPYRIGHTS AND RIGHTS IN DATA AND PATENTS**

The Departments require that all documents, materials and communications developed and implemented for the Iowa Plan, including the website described in the RFP and in the Contractor's proposal, specifically reference the "Iowa Plan" and each Department by name, with the standardized format and content of such references approved by the Departments.

The Departments shall be and remain the owners of all data and records provided to the Contractor and all reports prepared by the Contractor. The Departments' data and records will not be utilized by the Contractor for any purpose other than that of rendering services to the Departments under the Contract, nor will the data and records be disclosed, sold, assigned or leased to third parties or otherwise disposed of by the Contractor without the prior approval to do so by the Departments.

The Departments shall own all work products developed or furnished in connection with the Contract by the Contractor or any subcontractor (the "Work Product"), all such Work Product shall be considered a work made for hire. If any Work Product is not considered a work made for hire under applicable law, the Contractor shall make an exclusive, perpetual royalty-free assignment of all Contractor's rights, title and interest in such Work Product, including U.S. and foreign patents, copyrights and trade secrets. With regard to work performed by the Contractor's subcontractors, the Contractor shall provide for the irrevocable assignment of rights to the Departments, without additional consideration of all Work Product of the subcontractors. The Contractor shall give the Departments and any person designated by the Departments, all assistance reasonably requested by the Departments to perfect the Departments' ownership of all Work Product, including the execution and delivery of documents assigning title to such Work Product to the Departments. The Contractor shall not publish or attempt to transfer to third parties any Work Product without the Departments' prior written approval.

Copies of all documents, materials, communications and Work Products developed or implemented for the Iowa Plan shall be furnished to the Departments, upon request, at no cost.

#### **2.1(13) LEGALIZED ALIENS (IDPH Participants only)**

The Contractor shall submit the State Legalization Impact Assistance Grant (SLIAG) Quarterly Expenditure Report form and Claim Voucher for reimbursement to network providers who provided services to Eligible Legalized Aliens (ELA). Quarterly reports shall be submitted to the Iowa Department of Public Health, Family and Community Health Division, Lucas State Office Building, Des Moines, Iowa 50319-0075, by the 15th of the month following each quarter (i.e., October 15, January 15, April 15 and July 15).

#### **2.1(14) NOT-FOR-PROFIT/FOR-PROFIT STATUS**

The Contractor may be organized as either a for-profit or not-for profit organization. Any treatment program funded by IDPH funds must be a not-for-profit organization.

#### **2.1(15) COORDINATION OF SERVICES (IDPH Participants only)**

The Contractor shall ensure that a local health care provider or nonprofit health care organization seeking grant moneys administered by IDPH shall provide documentation that the provider or organization has coordinated its services with other local entities providing similar services including the local board of health.

#### **2.1(16)a PRIORITY IN SUBSTANCE ABUSE TREATMENT**

The Contractor shall ensure that priority in treatment must be given to those individuals with the greatest clinical need. In establishing clinical need, priority must be given to substance abuse which results in the highest personal and social cost as measured by severity of personal and social consequences, and the number of abusers. Preference in admissions to treatment is as follows: (1) pregnant women injecting drug users, (2) pregnant substance abusers (3) injecting drug users, (4) all others. Admission to treatment of pregnant women must be accomplished within 48 hours and intravenous (IV) drug users within 14 days of the individual seeking treatment. If the Contractor is unable to admit the pregnant women or IV drug user within the required time due to insufficient capacity, IDPH is to be notified immediately, using procedures established by IDPH. In addition, IDPH is to be notified when treatment program networks reach 90% capacity for these two populations.

#### **2.1(16)b PRIORITY IN MENTAL HEALTH TREATMENT**

The contractor shall ensure that priority in treatment must be given to those individuals with the greatest clinical need. In establishing clinical need, priority must be given to individuals whose mental health needs results in the highest personal and social costs as measured by the severity of personal and social consequences and also the risk for high costs to the public. The provision of intensive services in the community such as community support services, mobile crisis services, Assertive Community Treatment, integrated services and supports, respite, and/or other specialized community based services shall be flexibly delivered (any time of the day or night based on the individualized needs of the consumer and consumers family; anywhere – home, school, work, other community location the consumer needs them) and shall be prioritized to children and youth with serious emotional disturbance (as defined in Iowa

Code, chapter 225) adults with serious mental illness and adults with chronic mental illness. Individuals with co-occurring disorders (substance abuse, MR, DD, BI, ASD, and/or other specialty health care needs) shall be included.

Community Support Services must be provided to children and youth when those support services are appropriate and applicable based on Utilization Management Guidelines

#### **2.1(17)a SUBSTANCE ABUSE INTERIM SERVICES (IDPH Participants only)**

If, after notifying IDPH that admission to treatment of pregnant women cannot be accomplished within 48 hours or IV drug users within 14 days of the individual seeking treatment, it is determined that no provider has capacity, interim services are to be provided. Interim services to IV drug users shall include counseling and education about HIV and TB, about the risks of transmission to sexual partners and infants, about the relationship between IV use and communicable diseases, and about steps that can be taken to ensure that HIV transmission does not occur and, if necessary, referral for HIV and TB treatment services. The Contractor shall establish a waiting list, which includes a unique patient identifier, for individuals awaiting treatment for IV drug use, including those receiving interim services. For pregnant women this shall also include prenatal care referral and education regarding the effects of alcohol and drug use on the fetus.

#### **2.1(17)b MENTAL HEALTH INTERIM SERVICES**

For any member whereby that member meets criteria for a service but is unable to have that service initiated, the Contractor shall develop a treatment plan for interim services to be made available for the member until such time as the initial and optimal service can be provided. This may include access to crisis services; but should also include intensive outpatient, community support services, and other specialized services in the community that are specifically attentive to the maintenance need of the member..

Interim service expectations may include:

- members who are children and youth who are waiting for treatment in a PMIC and/or being discharged from a PMIC;
- members who are children, youth, and adults who are waiting for services in an inpatient setting or at a MHI and/or who are being discharged from an inpatient setting or a MHI;
- children, youth, and adults who are at risk for or returning from out of state treatment;
- any covered member with MI, SED, SMI, CMI, MR, DD, BI, ASD, and/or any other health care condition who is experiencing a mental health crisis

#### **2.1(18) IOWA RESIDENCE (IDPH Participants only)**

Services under the contract are for Iowa residents only. The primary place of residence at the time of treatment must be in Iowa. If a place of residence is not maintained while receiving residential or halfway house services, the most recent place of residence will be considered when determining residence.

#### **2.1(19) OUTREACH SERVICES-IV DRUG (IDPH Participants only)**

The Contractor shall ensure that providers providing services to IV drug users shall perform outreach activities. The providers shall select, train and supervise outreach workers. They shall encourage individuals needing IV treatment to undergo treatment and provide awareness about the relationship between IV drug use and communicable disease. The provider shall use outreach models that are applicable to the local situation and use an approach that can be expected to be reasonably effective.

#### **2.1(20) TUBERCULOSIS (TB) SERVICES (IDPH Participants Only)**

The Contractor shall make available TB services through its contracts with the IDPH substance abuse provider network.

The Contractor shall implement infection control procedures and protocols provided by the Departments. All programs shall test for TB in the following populations:

- 1) all persons in residential treatment and halfway houses, and
- 2) recipients of outpatient services who are: a) IV drug users, or, b) persons who are in a close relationship with IV drug users and, c) any others who may be at high risk for tuberculosis, such as those with an unexplained persistent cough or the homeless.

#### **2.1(21) HIV/SERVICES**

Early intervention services for HIV disease to individuals will be undertaken voluntarily by, and with the informed consent of, the individual. Undergoing such services is not to be required as a condition of receiving treatment services for substance abuse or any other service.

#### **2.1(22) COORDINATION OF ACTIVITIES**

The Contractor shall make every reasonable effort to link Eligible Persons with needed services such as child welfare, adult and juvenile court services, criminal justice, education to include coordinating with the Local Education Agency (LEA) and the Area Education Agency (AEA), primary/physical health care, the Iowa After Care Services Network, the CPC/County System, Substance Abuse Providers, Child Health Specialty Clinics, Group/ Residential/Congregate Care, In-home Health Care, other Direct Care, Emergency Shelters, vocational rehabilitation and employment, and other naturally existing informal supports, etc.

#### **2.1(23) SERVICES AND EDUCATION TO EMPLOYEES**

The provider network shall offer continuing education to staff providing treatment services or activities. This shall include education on confidentiality requirements and information on disciplinary action relating to the requirements.

#### **2.1(24) SUBSTANCE ABUSE LICENSE REQUIREMENTS**



It shall be the responsibility of the Contractor to ensure that any substance abuse treatment program providing substance abuse treatment services to Enrollees has a license from the Iowa Department of Public Health in accordance with Iowa Code, Chapter 125, and Iowa Administrative Code, Section 643, Chapter 3, for the provision of treatment services, or is a hospital-based substance abuse treatment program which is exempt from licensure in accordance with Iowa Code Chapter 125.13.2(a).

#### **2.1(25) ELIGIBLE PERSONS' ACCESS TO SUBSTANCE ABUSE SERVICES**

Equal access to treatment must be provided regardless of age, sex, ethnicity, sexual orientation, cognitive or physical functioning, English speaking proficiency or involvement in the legal system.

Access to treatment shall be ensured to any Eligible Person who meets admission criteria for treatment, regardless of prior alcohol/other drug treatment or education, clinical history or other considerations.

#### **2.1(26) SCREENING INSTRUMENT FOR SUBSTANCE ABUSE SERVICES**

Any screening instruments used by the Contractor shall be developed in accordance with the placement criteria and shall be approved by the Departments prior to implementation.

#### **2.1(27) CERTIFIED ALCOHOL AND DRUG COUNSELOR**

The Contractor shall accept Certified Alcohol and Drug Counselor (CADC) and Advanced Certified Alcohol and Drug Counselor (ACADC) certification from the Iowa Board of Certification as a credentialing criteria for practitioners employed by a licensed substance abuse treatment program.

#### **2.1(28) SUBCONTRACTORS**

##### **2.1(28)(a) General Requirements Pertaining to Subcontracts**

- a) All subcontracts must fulfill the requirements of 42 CFR 438.6 that are appropriate to the service or activity delegated under the subcontract.
- b) The Contractor is responsible for any functions and responsibilities that it delegates to any subcontractor.
- c) The Contractor must evaluate the prospective subcontractor's ability to perform the activities to be delegated.
- d) The subcontract must be a written agreement between the Contractor and a subcontractor that specifies the activities and report responsibilities delegated to the subcontractor; and provide for revoking delegation or imposing other sanctions if the subcontractor's performance is inadequate.
- e) The Contractor must periodically review and monitor the subcontractor's performance on an ongoing basis. Review and monitoring periods will be based on the activities of the subcontract and agreed to by the State, consistent with industry standards or State Limited Service Organization (LSO) laws and regulations as specified in rules at 191 Iowa Administrative Code Chapter 41.

- f) If the Contractor identifies deficiencies or areas for improvement, the subcontractor must take corrective action.
- g) The Departments shall have the right to request the removal of a subcontractor for good cause.

#### **2.1(28)(b) Subcontracts for the Provision of Treatment Services and Supports**

The Departments reserve the right to approve or disapprove any subcontracts entered into by the Contractor for the purpose of completing the provisions of the contract prior to entering into subcontracts. A subcontract shall not affect the payment by the State to the Contractor or the distribution of payments. All restrictions, obligations, and responsibilities which apply to the principal Contractor shall also apply to the subcontractors.

If the Contractor wishes to delegate either clinical or administrative responsibilities to a direct service provider, the Departments reserve the right to limit the direct clinical services for which that provider can be reimbursed.

None of the substance abuse treatment program networks relating to the contract shall be subcontracted to another organization or individual without specific prior written approval by the Departments. To obtain approval, the Contractor shall submit to the Departments the proposed contract or written agreement between the parties.

If during the course of the subcontract period the Contractor or subcontractor wishes to change or revise the subcontract, prior written approval from the Departments is required.

The Contractor shall maintain a written code of standards of conduct governing the performance of its employees engaged in the award and administration of any subcontract. No employee, officer or agent of the Contractor or subcontractor shall participate in the selection or in the award or administration of a contract if a conflict of interest, real or apparent would be involved. See also the Code of Federal Regulations Title 45 Part 92.36.

The Contractor is contractually obligated to have no subcontracts containing any provision which provides incentive, monetary or otherwise, for the withholding of care determined necessary under the Contractor's criteria of psychosocial necessity or other utilization management criteria as required or approved by the Departments.

#### **2.1(28)(c) Restrictions Regarding Physician Incentives in Subcontracts for the Provision of Treatment Services and Supports**

The Contractor may not operate a Physician Incentive Plan (PIP) unless the Contractor notifies the Departments and receives written authorization to operate the PIP, and then, only if no specific payment can be made directly or indirectly under a PIP to a provider or provider group as an inducement to reduce or limit medically necessary services furnished to an individual.

A PIP must provide for compliance with the requirements set forth in 42 CFR 422.208 and 422.210. In addition, should the Contractor operate a PIP, it must:

- upon request from the Departments, report adequate information specified in the PIP regulations to the Departments to allow for adequate monitoring;
- report type of incentive arrangement, e.g., withhold, bonus, capitation;
- report percent of withhold or bonus (if applicable);
- report panel size, and if patients are pooled, the approved method used;
- if a provider/group is put at substantial financial risk for services not provided by a provider/group, ensure adequate stop-loss protection to individual providers and conduct annual Enrollee surveys; if the entity is at substantial financial risk, show proof that the provider/group has adequate stop loss coverage, including amount and type of stop-loss;
- provide information on its PIP to any Enrollee upon request (this includes the right to adequate and timely information on a PIP), and
- if required to conduct a member survey, disclose survey results to the State and, upon request, to members.

#### **2.1(28)(d) Utilization of Minority Business Enterprises**

It is the policy of the state that minority business enterprises shall have the maximum practical opportunity to participate in the performance of government contracts. In implementing the contract, the Contractor agrees to use its best efforts to carry out this policy in the award of its subcontracts to the fullest extent consistent with the efficient performance of the contract.

#### **2.1(28)(e) Utilization of Small Business**

The State encourages the use of small businesses in the performance of government contracts. In implementing the contract, the Contractor agrees to undertake the maximum amount of subcontracting to small businesses that is consistent with the efficient performance of the contract.

#### **2.1(29) Monitoring & Review Clause**

This Contract will be monitored and reviewed in accordance with Section 6.5 of the RFP.

#### **2.1(30) Qualified Service Organization**

In providing services pursuant to this Contract, Contractor may review data that is protected by 42 C.F.R. part 2 and will, therefore, be a "qualified service organization" as that term is defined in 42 C.F.R. § 2.11. Contractor acknowledges that in receiving, storing, processing or otherwise dealing with any patient records from DHS, Contractor is fully bound by 42 C.F.R. part 2 and, if necessary, will resist in judicial proceedings any efforts to obtain access to patient records except as permitted by the regulations.

#### **2.1(31) Modifications to the RFP**

**2.1(31)(a)** A child psychiatrist shall be involved in at least one of the following 1) the decision not to authorize any initial or concurrent request, or to authorize a service in the amount, duration, or scope that is less than the request, for 24-hour child mental health services

or 2) in the Appeal process for 24-hour child mental health services.

**2.1(31)(b)** The Departments waives the requirement that the Chief Financial Officer needs to be located in Iowa.

## 2.2 General Terms for Services Contracts

### 2.2 (1) Definitions.

a. **"Acceptance"** means that the Departments have determined that one or more Deliverables satisfy the Departments' Acceptance Tests. Final Acceptance means that the Departments have determined that all Deliverables satisfy the Departments' Acceptance Tests. Non-acceptance means that the Departments have determined that one or more Deliverables have not satisfied the Departments' Acceptance Tests.

b. **"Acceptance Criteria"** means the Specifications, goals, performance measures, testing results and/or other criteria designated by the Departments and against which the Deliverables may be evaluated for purposes of Acceptance or Non-acceptance thereof.

c. **"Acceptance Tests" or "Acceptance Testing"** mean the tests, reviews and other activities that are performed by or on behalf of Departments to determine whether the Deliverables meet the Acceptance Criteria or otherwise satisfy the Departments, as determined by the Departments in their sole discretion.

d. **"Departments"** means the Iowa Department of Human Services and the Iowa Department of Public Health, collectively.

e. **"Bid Proposal" or "Proposal"** means the Contractor's proposal submitted in response to the RFP.

f. **"Contract"** means the collective documentation memorializing the terms of the agreement between the Departments and the Contractor identified on the Contract Declarations & Execution Page(s) and includes the signed Contract Declarations & Execution Page(s), the Special Terms, these General Terms for Services Contracts, any Special Contract Attachments, and all other addenda to the Contract Declarations & Execution Page(s).

g. **"Contractor"** means the entity or individual providing services under this Contract.

h. **"Declarations & Execution Page(s)"** means the document that contains basic information about the Contract and incorporates by reference these General Terms for Services Contracts, the Special Terms, and all other addenda to the Contract Declarations and Executions Page(s).

i. **"Deficiency"** means a defect, flaw, anomaly, failure, omission, interruption of service, or other problem of any nature whatsoever with respect to a Deliverable, including, without limitation, any failure of a Deliverable to conform to or meet an applicable specification. Deficiency also includes the lack of something essential or necessary for completeness or proper functioning of a Deliverable.

j. **"Deliverables"** all of the goods, products, services, work, work product, items, materials and property to be created, developed, produced, delivered, performed or provided by or on behalf of, or made available through, Contractor (or any agent, contractor or subcontractor of Contractor) in connection with this Contract.

k. **"Documentation"** means any and all technical information, commentary, explanations, design documents, system architecture documents, database layouts, test materials, training materials, guides, manuals, worksheets, notes, work papers, and all other information, documentation and materials related to or used in conjunction with the Deliverables, in any medium, including hard copy, electronic, digital, and magnetically or optically encoded media.

l. **"RFP"** means the Request for Proposals or Request for Bids (and any Addenda thereto) identified on the Contracts Declarations and Execution Page(s) that was issued to solicit the Deliverables that are subject to the Contract.

m. **"Special Contract Attachments"** means any attachment to this Contract indicated on the Contract Declarations & Execution Page(s).

n. **"Special Terms"** means the Section of the Contract entitled "Special Terms" that contains terms specific to this Contract, including but not limited to the Scope of Work, contract payment terms, and any amendments to these General Terms and Conditions for Services Contracts. If there is a conflict between the General Terms for Services Contracts and the Special Terms, the Special Terms shall prevail.

o. **"Specifications"** means all specifications, requirements, technical standards, performance standards, representations and other criteria related to the Deliverables stated or expressed in this Contract, the Documentation, the RFP, and the Proposal. Specifications shall include the Acceptance Criteria and any specifications, standards or criteria stated or set forth in any applicable state, federal, foreign and local laws, rules and regulations. The Specifications are incorporated into this Contract by reference as if fully set forth in this Contract.

p. **"State"** means the State of Iowa, the Departments, and all State of Iowa agencies, departments, boards, and commissions, and when this Contract is available to political subdivisions, any political subdivisions of the State of Iowa.

**2.2 (2) Duration of Contract.** The term of the Contract shall begin and end on the dates specified on the Contract Declarations & Execution Page(s), unless extended or terminated earlier in accordance with the termination provisions of this Contract. The Departments may, in their sole discretion, exercise any applicable extension by giving the Contractor written notice of the extension decision at least sixty (60) days prior to the expiration of the initial term or renewal term.

**2.2 (3) Scope of Work.** The Contractor shall provide Deliverables that comply with and conform to the Specifications.

**2.2 (4) Compensation**

a. **Pricing.** The Contractor will be compensated in accordance with the payment terms outlined in the Contract Payment Terms and Scope of Work described in the Special Terms.

The Contractor shall submit, on the frequency established on the Contract Declarations & Execution Page(s) an invoice for Deliverables rendered in accordance with this Contract. The invoice shall comply with all applicable rules concerning payment of such claims. The Departments shall verify the Contractor's performance of the Deliverables outlined in the invoice before making payment. The Departments shall pay all approved invoices in arrears and in conformance with Iowa Code § 8A.514. The Departments may pay in less than sixty (60) days, but an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa Code § 8A.514.

Unless otherwise agreed in writing by the parties, the Contractor shall not be entitled to receive any other payment or compensation from the State for any Deliverables provided by or on behalf of the Contractor under this Contract. The Contractor shall be solely responsible for paying all costs, expenses and charges it incurs in connection with its performance under this Contract.

b. **Withholding Payments.** In addition to pursuing any other remedy provided herein or by law, the Departments may withhold compensation or payments to Contractor, in whole or in part, without penalty to the Departments or work stoppage by Contractor, in the event that the Departments (individually or collectively) determine that: (1) Contractor has failed to perform any of its duties or obligations as set forth in this Contract; or (2) any Deliverable has failed to meet or conform to any applicable Specifications or contains or is experiencing a Deficiency. No interest shall accrue or be paid to Contractor on any compensation or other amounts withheld or retained by the Departments under this Contract.

c. **Setoff Against Sums Owed by the Contractor.** In the event that Contractor owes the State any sum under the terms of this Contract, any other contract or agreement, pursuant to a judgment, or

pursuant to any law, the State may, in its sole discretion, set off any such sum against: (1) any sum invoiced by, or owed to, Contractor under this Contract, or (2) any sum or amount owed by the State to Contractor, unless otherwise required by law. The Contractor agrees that this provision constitutes proper and timely notice under any applicable laws governing setoff.

## **2.2 (5) Termination.**

**a. Termination for Cause by the Departments.** The Departments may terminate this Contract upon written notice for the breach by Contractor of any material term, condition or provision of this Contract, if such breach is not cured within the time period specified in the Departments' notice of breach or any subsequent notice or correspondence delivered by the Departments to Contractor, provided that cure is feasible. In addition, the Departments may terminate this Contract effective immediately without penalty and without advance notice or opportunity to cure for any of the following reasons:

(1) Contractor furnished any statement, representation, warranty or certification in connection with this Contract, the RFP or the Proposal that is false, deceptive, or materially incorrect or incomplete;

(2) Contractor or any of Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors or subcontractors has committed or engaged in fraud, misappropriation, embezzlement, malfeasance, misfeasance, or bad faith;

(3) Contractor or any parent or affiliate of Contractor owning a controlling interest in Contractor dissolves;

(4) Contractor terminates or suspends its business;

(5) Contractor's corporate existence or good standing in Iowa is suspended, terminated, revoked or forfeited, or any license or certification held by Contractor related to Contractor's performance under this Contract is suspended, terminated, revoked, or forfeited;

(6) Contractor has failed to comply with any applicable international, federal, state (including, but not limited to Iowa Code chapter 8F), or local laws, rules, ordinances, regulations or orders when performing within the scope of this Contract;

(7) The Departments determine or believes the Contractor has engaged in conduct that: (a) has or may expose the Departments or the State to material liability, or (b) has caused or may cause a person's life, health or safety to be jeopardized;

(8) Contractor infringes or allegedly infringes or violates any patent, trademark, copyright, trade dress or any other intellectual property right or proprietary right, or Contractor misappropriates or allegedly misappropriates a trade secret;

(9) Contractor fails to comply with any applicable confidentiality laws, privacy laws, or any provisions of this Contract pertaining to confidentiality or privacy; or

(10) Any of the following has been engaged in by or occurred with respect to Contractor or any corporation, shareholder or entity having or owning a controlling interest in Contractor:

1. Commencing or permitting a filing against it which is not discharged within ninety (90) days, of a case or other proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any bankruptcy, insolvency, or other similar law now or hereafter in effect; or filing an answer admitting the material allegations of a petition filed against it in any involuntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts; or consenting to any such relief or to the appointment of or taking possession by any such official in any voluntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts;

2. Seeking or suffering the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its assets;
3. Making an assignment for the benefit of creditors;
4. Failing, being unable, or admitting in writing the inability generally to pay its debts or obligations as they become due or failing to maintain a positive net worth and such additional capital and liquidity as is reasonably adequate or necessary in connection with Contractor's performance of its obligations under this Contract; or
5. Taking any action to authorize any of the foregoing.

The Departments' right to terminate this Contract shall be in addition to and not exclusive of other remedies available to the Departments, and the Departments shall be entitled to exercise any other rights and pursue any remedies, in law, at equity, or otherwise.

**b. Termination Upon Notice.** Following a thirty (30) day written notice, the Departments may terminate this Contract in whole or in part without penalty and without incurring any further obligation to Contractor. Termination can be for any reason or no reason at all.

**c. Termination Due to Lack of Funds or Change in Law.** Notwithstanding anything in this Contract to the contrary, and subject to the limitations set forth below, the Departments shall have the right to terminate this Contract without penalty and without any advance notice as a result of any of the following:

- (1) The legislature or governor fail in the sole opinion of the Departments to appropriate funds sufficient to allow the Departments to either meet its obligations under this Contract or to operate as required and to fulfill its obligations under this Contract; or
- (2) If funds are de-appropriated, reduced, not allocated, or receipt of funds is delayed, or if any funds or revenues needed by the Departments to make any payment hereunder are insufficient or unavailable for any other reason as determined by the Departments in their sole discretion; or
- (3) If the Departments' authorization to conduct its business or engage in activities or operations related to the subject matter of this Contract is withdrawn or materially altered or modified; or
- (4) If the Departments' duties, programs or responsibilities are modified or materially altered; or
- (5) If there is a decision of any court, administrative law judge or an arbitration panel or any law, rule, regulation or order is enacted, promulgated or issued that materially or adversely affects the Departments' ability to fulfill any of its obligations under this Contract.

The Departments shall provide Contractor with written notice of termination pursuant to this section.

**d. Limitation of the State's Payment Obligations.** In the event of termination of this Contract for any reason by either party (except for termination by the Departments pursuant to Section 2.2(5)(a), the Departments shall pay only those amounts, if any, due and owing to Contractor hereunder for Deliverables actually and satisfactorily provided in accordance with the provisions of this Contract up to and including the date of termination of this Contract and for which the Departments are obligated to pay pursuant to this Contract; provided however, that in the event the Departments terminate this Contract pursuant to Section 2.2(5)(c), the Departments' obligation to pay Contractor such amounts and other compensation shall be limited by, and subject to, legally available funds. Payment will be made only upon submission of invoices and proper proof of Contractor's claim. Notwithstanding the foregoing, this Section 2.2(5)(d) in no way limits the rights or remedies available to the Departments and shall not be construed to require the Departments to pay any compensation or other amounts hereunder in the event of Contractor's breach of this Contract or any amounts withheld by the Departments in accordance with the terms of this Contract. The Departments shall not be liable, under any circumstances, for any of the following:



- (1) The payment of unemployment compensation to Contractor's employees;
- (2) The payment of workers' compensation claims, which occur during the Contract or extend beyond the date on which the Contract terminates;
- (3) Any costs incurred by Contractor in its performance of the Contract, including, but not limited to, startup costs, overhead or other costs associated with the performance of the Contract;
- (4) Any damages or other amounts associated with the loss of prospective profits, anticipated sales, goodwill, or for expenditures, investments or commitments made in connection with this Contract;
- (5) Any taxes Contractor may owe in connection with the performance of this Contract, including, but not limited to, sales taxes, excise taxes, use taxes, income taxes or property taxes.

**e. Contractor's Termination Duties.** Upon receipt of notice of termination or upon request of the Departments, Contractor shall:

1. Cease work under this Contract and take all necessary or appropriate steps to limit disbursements and minimize costs, and furnish a report within thirty (30) days of the date of notice of termination, describing the status of all work performed under the Contract and such other matters as the Departments may require.

2. Immediately cease using and return to the Departments any property or materials, whether tangible or intangible, provided by the Departments (individually or collectively) to Contractor.

3. Cooperate in good faith with the Departments and their employees, agents and independent contractors during the transition period between the notification of termination and the substitution of any replacement service provider.

4. Immediately return to the Departments any payments made by the Departments for Deliverables that were not rendered or provided by Contractor.

5. Immediately deliver to the Departments any and all Deliverables for which the Departments have made payment (in whole or in part) that are in the possession or under the control of the Contractor or its agents or subcontractors in whatever stage of development and form of recordation such property is expressed or embodied as that time.

**f. Termination for Cause by Contractor.** Contractor may only terminate this Contract for the breach by the Departments of any material term, condition or provision of this Contract, if such breach is not cured within sixty (60) days of the Departments' receipt of Contractor's written notice of breach.

## **2.2 (6) Confidential Information.**

**a. Access to Confidential Information.** The Contractor's employees, agents and subcontractors may have access to confidential information maintained by the Departments to the extent necessary to carry out its responsibilities under the Contract. The Contractor shall presume that all information received pursuant to this Contract is confidential unless otherwise designated by the Departments. The Contractor shall provide to the Departments a written description of its policies and procedures to safeguard confidential information. Policies of confidentiality shall address, as appropriate, information conveyed in verbal, written, and electronic formats. The Contractor must designate one individual who shall remain the responsible authority in charge of all data collected, used, or disseminated by the Contractor in connection with the performance of the Contract. The Contractor shall provide adequate supervision and training to its agents, employees and subcontractors to ensure compliance with the terms of this Contract. The private or confidential information shall remain the property of the Departments at all times.

**b. No Dissemination of Confidential information.** No confidential information collected, maintained, or used in the course of performance of the Contract shall be disseminated by Contractor except as authorized by law and only with the prior written consent of the Departments, either during the period of the Contract or thereafter. Any data supplied by the Departments to the Contractor or

created by the Contractor in the course of the performance of this Contract shall be considered the property of the Departments. The Contractor must return any and all data collected, maintained, created or used in the course of the performance of the Contract in whatever form it is maintained promptly at the request of the Departments. The Contractor may be held civilly or criminally liable for improper disclosure of confidential information.

**c. Subpoena.** In the event that a subpoena or other legal process is served upon the Contractor for records containing confidential information, the Contractor shall promptly notify the Departments and cooperate with the Departments in any lawful effort to protect the confidential information.

**d. Reporting of Unauthorized Disclosure.** The Contractor shall immediately report to the Departments any unauthorized disclosure of confidential information.

**e. Survives Termination.** The Contractor's obligations under this section shall survive termination or expiration of this Contract.

## **2.2 (7) Indemnification.**

**a. By the Contractor.** The Contractor agrees to indemnify and hold harmless the State and its officers, appointed and elected officials, board and commission members, employees, volunteers and agents (collectively the "Indemnified Parties"), from any and all costs, expenses, losses, claims, damages, liabilities, settlements and judgments (including, without limitation, the reasonable value of the time spent by the Attorney General's Office, and the costs, expenses and attorneys' fees of other counsel retained by the Indemnified Parties directly or indirectly related to, resulting from, or arising out of this Contract, including but not limited to any claims related to, resulting from, or arising out of:

(1) Any breach of this Contract;

(2) Any negligent, intentional or wrongful act or omission of the Contractor or any agent or subcontractor utilized or employed by the Contractor;

(3) The Contractor's performance or attempted performance of this Contract, including any agent or subcontractor utilized or employed by the Contractor;

(4) Any failure by the Contractor to make all reports, payments and withholdings required by federal and state law with respect to social security, employee income and other taxes, fees or costs required by the Contractor to conduct business in the State of Iowa;

(5) Any claim of misappropriation of a trade secret or infringement or violation of any intellectual property rights, proprietary rights or personal rights of any third party, including any claim that any Deliverable or any use thereof (or the exercise of any rights with respect thereto) infringes, violates or misappropriates any patent, copyright, trade secret, trademark, trade dress, mask work, utility design, or other intellectual property right or proprietary right of any third party.

**b. Survives Termination.** Contractor's duties and obligations under this section shall survive the termination of this Contract and shall apply to all acts or omissions taken or made in connection with the performance of this Contract regardless of the date any potential claim is made or discovered by the Departments or any other Indemnified Party.

## **2.2 (8) Insurance.**

**a. Insurance Requirements.** The Contractor, and any subcontractor, shall maintain in full force and effect, with insurance companies licensed by the State of Iowa, at the Contractor's expense, insurance covering its work during the entire term of this Contract and any extensions or renewals thereof. The Contractor's insurance shall, among other things, be occurrence based and shall insure against any loss or damage resulting from or related to the Contractor's performance of this Contract regardless of the date the claim is filed or expiration of the policy. The State of Iowa and the Departments shall be named as additional insureds or loss payees, or the Contractor shall obtain an endorsement to the same effect, as applicable.

**b. Types and Amounts of Insurance Required.** Unless otherwise requested by the Departments in writing, the Contractor shall cause to be issued insurance coverages insuring the Contractor and/or subcontractors against all general liabilities, product liability, personal injury, property damage, and (where applicable) professional liability in the amount specified on the Contract Declarations and Execution Page for each occurrence. In addition, the Contractor shall ensure it has any necessary workers' compensation and employer liability insurance as required by Iowa law.

**c. Certificates of Coverage.** Contractor shall maintain all insurance policies required by this Contract in full force and effect during the entire term of this Contract and any extensions or renewals thereof, and shall not permit such policies to be canceled or amended except with the advance written approval of the Departments. The Contractor shall submit certificates of the insurance, which indicate coverage and notice provisions as required by this Contract, to the Departments upon execution of this Contract. The certificates shall be subject to approval by the Departments. The insurer shall state in the certificate that no cancellation of the insurance will be made without at least a thirty (30) day prior written notice to the Departments. Approval of the insurance certificates by the Departments shall not relieve the Contractor of any obligation under this Contract.

**d. Waiver of Subrogation Rights.** The Contractor shall obtain a waiver of any subrogation rights that any of its insurance carriers might have against the State. The waiver of subrogation rights shall be indicated on the certificates of insurance coverage supplied to the State.

#### ***2.2(9) Project Management & Reporting.***

**a. Project Manager.** At the time of execution of this Contract, each party shall designate, in writing, a Project Manager to serve until the expiration of this Contract or the designation of a substitute Project Manager. During the term of this Contract, each Project Manager shall be available to meet monthly, unless otherwise mutually agreed, to review and plan the Deliverables being provided under this Contract.

**b. Review Meetings.** During the review meetings the Project Managers shall discuss progress made by the Contractor in the performance of this Contract. Each party shall provide a status report, as desired by a Project Manager, listing any problem or concern encountered since the last meeting. Records of such reports and other communications issued in writing during the course of Contract performance shall be maintained by each party.

**c. Reports.** At the next scheduled meeting after which any party has identified in writing a problem, the party responsible for resolving the problem shall provide a report setting forth activities undertaken, or to be undertaken, to resolve the problem, together with the anticipated completion dates of such activities. Any party may recommend alternative courses of action or changes that will facilitate problem resolution. For as long as a problem remains unresolved, written reports shall identify:

(1) Any event not within the control of the Contractor or the Departments that accounts for the problem;

(2) Modifications to the Contract agreed to by the parties in order to remedy or solve the identified problem;

(3) Damages incurred as a result of any party's failure to perform its obligations under this Contract; and

(4) Any request or demand by one party that another party believes is not included within the terms of this Contract.

**d. Problem Reporting Omissions.** The Departments' acceptance of a problem report shall not relieve the Contractor of any obligation under this Contract or waive any other remedy under this Contract or at law or equity that the Departments may have. The Departments' failure to identify the extent of a problem or the extent of damages incurred as a result of a problem shall not act as a waiver

of performance or damages under this Contract. Where other provisions of this Contract require notification of an event in writing, the written report shall be considered a valid notice under this Contract provided the parties required to receive notice are notified.

**e. Change Order Procedure.** The Departments may at any time request a modification to the Scope of Work using a change order. The following procedures for a change order shall be followed:

(1) **Written Request.** The Departments shall specify in writing the desired modifications to the same degree of specificity as in the original Scope of Work.

(2) **The Contractor's Response.** The Contractor shall submit to the Departments a firm cost proposal for the requested change order within five (5) business days of receiving the change order request.

(3) **Acceptance of the Contractor Estimate.** If the Departments accept the cost proposal presented by the Contractor, the Contractor shall provide the modified Deliverable subject to the cost proposal included in the Contractor response. The Contractor's provision of the modified Deliverables shall be governed by the terms and conditions of this Contract.

(4) **Adjustment to Compensation.** The parties acknowledge that a change order for this Contract may or may not entitle the Contractor to an equitable adjustment in the Contractor's compensation or the performance deadlines under this Contract.

**2.2 (10) Legislative Changes.** The Contractor expressly acknowledges that the contracted Deliverables are subject to legislative change by either the federal or state government. Should either legislative body enact measures which alter the project, the Contractor shall not hold the Departments liable in any manner for the resulting changes. The Departments shall use best efforts to provide a thirty (30) day written notice to the Contractor of any legislative change. During the thirty (30) day period, the parties shall meet and make a good faith effort to agree upon changes to the Contract to address the legislative change. Nothing in this subsection shall affect or impair the Departments' right to terminate the Contract pursuant to the termination provisions.

**2.2 (11) Intellectual Property.**

**a. Ownership and Assignment of Other Deliverables.** Contractor agrees that the State and Departments shall become the sole and exclusive owners of all Deliverables. Contractor hereby irrevocably assigns, transfers and conveys to the State and the Departments all right, title and interest in and to all Deliverables and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables, including copyrights, patents, trademarks, trade secrets, trade dress, mask work, utility design, derivative works, and all other rights and interests therein or related thereto. Contractor represents and warrants that the State and the Departments shall acquire good and clear title to all Deliverables, free from any claims, liens, security interests, encumbrances, intellectual property rights, proprietary rights, or other rights or interests of Contractor or of any third party, including any employee, agent, contractor, subcontractor, subsidiary or affiliate of Contractor. The Contractor (and Contractor's employees, agents, contractors, subcontractors, subsidiaries and affiliates) shall not retain any property interests or other rights in and to the Deliverables and shall not use any Deliverables, in whole or in part, for any purpose, without the prior written consent of the Departments and the payment of such royalties or other compensation as the Departments deem appropriate. Unless otherwise requested by Departments, upon completion or termination of this Contract, Contractor will immediately turn over to the Departments all Deliverables not previously delivered to the Departments, and no copies thereof shall be retained by Contractor or its employees, agents, subcontractors or affiliates, without the prior written consent of the Departments.

**b. Waiver.** To the extent any of Contractor's rights in any Deliverables are not subject to assignment or transfer hereunder, including any moral rights and any rights of attribution and of

integrity, Contractor hereby irrevocably and unconditionally waives all such rights and enforcement thereof and agrees not to challenge the State's rights in and to the Deliverables.

**c. Further Assurances.** At the Departments' request, Contractor will execute and deliver such instruments and take such other action as may be requested by the Departments to establish, perfect or protect the State's rights in and to the Deliverables and to carry out the assignments, transfers and conveyances set forth in Section 2.2(11)(a).

**d. Publications.** Prior to completion of all services required by this Contract, Contractor shall not publish in any format any final or interim report, document, form or other material developed as a result of this Contract without the express written consent of the Departments. Upon completion of all services required by this Contract, Contractor may publish or use materials developed as a result of this Contract, subject to confidentiality restrictions, and only after the Departments have had an opportunity to review and comment upon the publication. Any such publication shall contain a statement that the work was done pursuant to a contract with the Departments and that it does not necessarily reflect the opinions, findings and conclusions of the Departments.

## **2.2 (12) Warranties.**

**a. Construction of Warranties Expressed in this Contract with Warranties Implied by Law.** Warranties made by the Contractor in this Contract, whether: (a) this Contract specifically denominates the Contractor's promise as a warranty; or (b) the warranty is created by the Contractor's affirmation or promise, by a description of the Deliverables to be provided, or by provision of samples to the Departments, shall not be construed as limiting or negating any warranty provided by law, including without limitation, warranties that arise through course of dealing or usage of trade. The warranties expressed in this Contract are intended to modify the warranties implied by law only to the extent that they expand the warranties applicable to the Deliverables provided by the Contractor. The provisions of this section apply during the term of this Contract and any extensions or renewals thereof.

### **b. Contractor represents and warrants that:**

(1) all Deliverables shall be wholly original with and prepared solely by Contractor; or it owns, possesses, holds, and has received or secured all rights, permits, permissions, licenses and authority necessary to provide the Deliverables to the Departments hereunder and to assign, grant and convey the rights, benefits, licenses and other rights assigned, granted or conveyed to the Departments hereunder or under any license agreement related hereto without violating any rights of any third party;

(2) Contractor has not previously and will not grant any rights in any Deliverables to any third party that are inconsistent with the rights granted to the Departments herein; and

(3) the Departments shall peacefully and quietly have, hold, possess, use and enjoy the Deliverables without suit, disruption or interruption.

### **c. Contractor represents and warrants that:**

(1) the Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables); and

(2) the Departments' use of, and exercise of any rights with respect to, the Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables), do not and will not, under any circumstances, misappropriate a trade secret or infringe upon or violate any copyright, patent, trademark, trade dress or other intellectual property right, proprietary right or personal right of any third party. Contractor further represents and warrants there is no pending or threatened claim, litigation or action that is based on a claim of infringement or violation of an intellectual property right, proprietary right or personal right or misappropriation of a trade secret related to the Deliverables. Contractor shall inform the Departments in writing immediately upon becoming aware of any actual, potential or threatened claim of or cause of action for infringement or

violation or an intellectual property right, proprietary right, or personal right or misappropriation of a trade secret. If such a claim or cause of action arises or is likely to arise, then Contractor shall, at the Departments' request and at the Contractor's sole expense:

1. Procure for the Departments the right or license to continue to use the Deliverable at issue;
2. Replace such Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation or misappropriation;
3. modify or replace the affected portion of the Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation or misappropriation; or
4. accept the return of the Deliverable at issue and refund to the Departments all fees, charges and any other amounts paid by the Departments with respect to such Deliverable. In addition, Contractor agrees to indemnify, defend, protect and hold harmless the State and its officers, directors, employees, officials and agents as provided in the Indemnification section of this Contract, including for any breach of the representations and warranties made by Contractor in this section. The foregoing remedies shall be in addition to and not exclusive of other remedies available to the Departments and shall survive termination of this Contract.

d. Contractor represents and warrants that the Deliverables (in whole and in part) shall:

(1) be free from material Deficiencies; and

(2) meet, conform to and operate in accordance with all Specifications and in accordance with this Contract during the Warranty Period, as defined in the Contract Special Terms. During the Warranty Period Contractor shall, at its expense, repair, correct or replace any Deliverable that contains or experiences material Deficiencies or fails to meet, conform to or operate in accordance with Specifications within five (5) business days of receiving notice of such Deficiencies or failures from the Departments or within such other period as the Departments specify in the notice. In the event Contractor is unable to repair, correct or replace such Deliverable to the Departments' satisfaction, Contractor shall refund the fees or other amounts paid for the Deliverables and for any services related thereto. The foregoing shall not constitute an exclusive remedy under this Contract, and the Departments shall be entitled to pursue any other available contractual, legal or equitable remedies. Contractor shall be available at all reasonable times to assist the Departments with questions, problems and concerns about the Deliverables, to inform the Departments promptly of any known Deficiencies in any Deliverables, repair and correct any Deliverables not performing in accordance with the warranties contained in this Contract, notwithstanding that such Deliverable may have been accepted by the Departments, and provide the Departments with all necessary materials with respect to such repaired or corrected Deliverable.

e. Contractor represents, warrants and covenants that all services to be performed under this Contract shall be performed in a professional, competent, diligent and workmanlike manner by knowledgeable, trained and qualified personnel, all in accordance with the terms and Specifications of this Contract and the standards of performance considered generally acceptable in the industry for similar tasks and projects. In the absence of a Specification for the performance of any portion of this Contract, the parties agree that the applicable specification shall be the generally accepted industry standard. So long as the Departments notify Contractor of any services performed in violation of this standard, Contractor shall re-perform the services at no cost to the Departments, such that the services are rendered in the above-specified manner, or if the Contractor is unable to perform the services as warranted, Contractor shall reimburse the Departments any fees or compensation paid to Contractor for the unsatisfactory services.

f. Contractor represents and warrants that the Deliverables will comply with any applicable federal, state, foreign and local laws, rules, regulations, codes, and ordinances in effect during the term of this Contract, including applicable provisions of Section 508 of the Rehabilitation Act of 1973, as amended, and all standards and requirements established by the Architectural and Transportation

Barriers Access Board and the Iowa Department of Administrative Services, Information Technology Enterprise.

g. **Obligations Owed to Third Parties.** The Contractor represents and warrants that all obligations owed to third parties with respect to the activities contemplated to be undertaken by the Contractor pursuant to this Contract are or will be fully satisfied by the Contractor so that the Departments will not have any obligations with respect thereto.

**2.2 (13). Acceptance Testing.** Except as otherwise specified in the Scope of Work, all Deliverables shall be subject to the Departments' Acceptance Testing and Acceptance, unless otherwise specified in the Statement of Work. Upon completion of all work to be performed by Contractor with respect to any Deliverable, Contractor shall deliver a written notice to the Departments certifying that the Deliverable meets and conforms to applicable Specifications and is ready for the Departments to conduct Acceptance Tests; provided, however, that Contractor shall pretest the Deliverable to determine that it meets and operates in accordance with applicable Specifications prior to delivering such notice to the Departments. At the Departments' request, Contractor shall assist the Departments in performing Acceptance Tests at no additional cost to the Departments. Within a reasonable period of time after the Departments have completed its Acceptance Testing, the Departments shall provide Contractor with written notice of Acceptance or Non-acceptance with respect to each Deliverable that was evaluated during such Acceptance Testing. If the Departments determine that a Deliverable satisfies its Acceptance Tests, the Departments shall provide Contractor with notice of Acceptance with respect to such Deliverable. If the Departments determine that a Deliverable fails to satisfy its Acceptance Tests, the Departments shall provide Contractor with notice of Non-acceptance with respect to such Deliverable. In the event the Departments provide notice of Non-acceptance to Contractor with respect to any Deliverable, Contractor shall correct and repair such Deliverable and submit it to the Departments within ten (10) days of Contractor's receipt of notice of Non-acceptance so that the Departments may re-conduct their Acceptance Tests with respect to such Deliverable. In the event the Departments determine, after re-conducting its Acceptance Tests with respect to any Deliverable that Contractor has attempted to correct or repair pursuant to this section, that such Deliverable fails to satisfy its Acceptance Tests, then the Departments shall have the continuing right, at their sole option, to: (i) require Contractor to correct and repair such Deliverable within such period of time as the Departments may specify in a written notice to Contractor; (ii) refuse to accept such Deliverable without penalty and without any obligation to pay any fees or other amounts associated with such Deliverable (or receive a refund of any fees or amounts already paid with respect to such Deliverable); (iii) accept such Deliverable on the condition that any fees or other amounts payable with respect thereto shall be reduced or discounted to reflect, to the Departments' satisfaction, the Deficiencies present therein and any reduced value or functionality of such Deliverable or the costs likely to be incurred by the Departments to correct such Deficiencies; or (iv) terminate this Contract and/or seek any and all available remedies, including damages. Notwithstanding the provisions of Section 2.2(5)(a) of this Contract, the Departments may terminate this Contract pursuant to this section without providing Contractor with any notice or opportunity to cure provided for in Section 2.2(5)(a). The Departments' right to exercise the foregoing rights and remedies, including termination of this Contract, shall remain in effect until Acceptance Tests are successfully completed to the Departments' satisfaction and the Departments have provided Contractor with written notice of Final Acceptance. If the Departments determine that all Deliverables satisfy its Acceptance Tests, the Departments shall provide Contractor with notice of Final Acceptance with respect to such Deliverables. Contractor's receipt of any notice of Acceptance, including Final Acceptance, with respect to any Deliverable(s) shall not be construed as a waiver of any of the Departments' rights to enforce the terms of this



Contract or require performance in the event Contractor breaches this Contract or any Deficiency is later discovered with respect to such Deliverable(s).

## **2.2 (14) Contract Administration.**

**a. Independent Contractor.** The status of the Contractor shall be that of an independent contractor. The Contractor, its employees, agents and any subcontractors performing under this Contract are not employees or agents of the State or any agency, division or department of the State simply by virtue of work performed pursuant to this Contract. Neither the Contractor nor its employees shall be considered employees of the Departments or the State for federal or state tax purposes simply by virtue of work performed pursuant to this Contract. The Departments will not withhold taxes on behalf of the Contractor (unless required by law).

**b. Incorporation of Documents.** To the extent this Contract arises out of an RFP, the parties acknowledge that the Contract consists of these contract terms and conditions as well as the RFP and the Bid Proposal. The RFP and the Bid Proposal are incorporated into the Contract by reference, except that no objection or amendment by the Contractor to the provisions of the RFP shall be incorporated by reference into the Contract unless the Departments have explicitly accepted the Contractor's objection or amendment in writing. If there is a conflict between the Contract, the RFP and the Bid Proposal, the conflict shall be resolved according to the following priority, ranked in descending order: (1) the Contract; (2) the RFP; (3) the Bid Proposal.

**c. Intent of References to Bid Documents.** The references to the parties' obligations, which are contained in this Contract, are intended to supplement or clarify the obligations as stated in the RFP and the Bid Proposal. The failure of the parties to make reference to the terms of the RFP or the Bid Proposal in this Contract shall not be construed as creating a conflict and will not relieve the Contractor of the contractual obligations imposed by the terms of the RFP and the Contractor's Bid Proposal. The contractual obligations of the Departments cannot be implied from the Bid Proposal.

**d. Compliance with the Law.** The Contractor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations and orders when providing Deliverables under this Contract, including without limitation, all laws that pertain to the prevention of discrimination in employment and in the provision of services. For employment, this would include equal employment opportunity and affirmative action, and the use of targeted small businesses as subcontractors or suppliers. The Contractor may be required to provide a copy of its affirmative action plan, containing goals and time specifications, and non-discrimination and accessibility plans and policies regarding services to clients. Failure to comply with this provision may cause this contract to be cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for future state contracts or be subject to other sanctions as provided by law or rule. The Contractor, its employees, agents and subcontractors shall also comply with all federal, state and local laws regarding business permits and licenses that may be required to carry out the work performed under this Contract. The Contractor may be required to submit its affirmative action plan to the Department of Management to comply with the requirements of 541 Iowa Administrative Code chapter 4. If all or a portion of the funding used to pay for the Deliverables is being provided through a grant from the Federal Government, Contractor acknowledges and agrees that pursuant to applicable federal laws, regulations, circulars and bulletins, the awarding agency of the Federal Government reserves certain rights including, without limitation a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes, the Deliverables developed under this Contract and the copyright in and to such Deliverables.

**e. Procurement.** Contractor shall use procurement procedures that comply with all applicable federal, state, and local laws and regulations.



**f. Non-Exclusive Rights.** This Contract is not exclusive. The Departments reserve the right to select other contractors to provide Deliverables similar or identical to those described in the Scope of Work during the term of this Contract.

**g. Compliance with Iowa Code Chapter 8F.** N/A

**h. Amendments.** This Contract may be amended in writing from time to time by mutual consent of the parties. Amendments to the General Terms for Services Contracts may appear in the Special Terms.

**i. Third Party Beneficiaries.** There are no third party beneficiaries to this Contract. This Contract is intended only to benefit the State and the Contractor.

**j. Use of Third Parties.** The Departments acknowledge that the Contractor may contract with third parties for the performance of any of the Contractor's obligations under this Contract. The Contractor shall notify the Departments in writing of all subcontracts relating to Deliverables to be provided under this Contract prior to the time the subcontract(s) become effective. The Departments reserve the right to review and approve all subcontracts. The Contractor may enter into these contracts to complete the project provided that the Contractor remains responsible for all Deliverables provided under this Contract. All restrictions, obligations and responsibilities of the Contractor under this Contract shall also apply to the subcontractors and the Contractor shall include in all of its subcontracts a clause that so states. The Departments shall have the right to request the removal of a subcontractor from the Contract for good cause.

**k. Choice of Law and Forum.** The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Contract without regard to the conflict of law provisions of Iowa law. Any and all litigation commenced in connection with this Contract shall be brought and maintained solely in Polk County District Court for the State of Iowa, Des Moines, Iowa, or in the United States District Court for the Southern District of Iowa, Central Division, Des Moines, Iowa, wherever jurisdiction is appropriate. This provision shall not be construed as waiving any immunity to suit or liability including without limitation sovereign immunity in State or Federal court, which may be available to the Departments or the State of Iowa.

**l. Assignment and Delegation.** Contractor may not assign, transfer or convey in whole or in part this Contract without the prior written consent of the Departments. For the purpose of construing this clause, a transfer of a controlling interest in the Contractor shall be considered an assignment. The Contractor may not delegate any of its obligations or duties under this Contract without the prior written consent of the Departments. The Contractor may not assign, pledge as collateral, grant a security interest in, create a lien against, or otherwise encumber, any payments that may or will be made to the Contractor under this Contract.

**m. Integration.** This Contract represents the entire Contract between the parties. The parties shall not rely on any representation that may have been made which is not included in this Contract.

**n. Headings or Captions.** The paragraph headings or captions used in this Contract are for identification purposes only and do not limit or construe the contents of the paragraphs.

**o. Not a Joint Venture.** Nothing in this Contract shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent and principal relationship) between the parties hereto. Each party shall be deemed to be an independent contractor contracting for services and acting toward the mutual benefits expected to be derived herefrom. No party, unless otherwise specifically provided for herein, has the authority to enter into any contract or create an obligation or liability on behalf of, in the name of, or binding upon another party to this Contract.

**p. Joint and Several Liability.** If the Contractor is a joint entity, consisting of more than one individual, partnership, corporation or other business organization, all such entities shall be jointly and

severally liable for carrying out the activities and obligations of this Contract, and for any default of activities and obligations.

**q. Supersedes Former Contracts or Agreements.** This Contract supersedes all prior contracts or agreements between the Departments and the Contractor for the Deliverables to be provided in connection with this Contract.

**r. Waiver.** Except as specifically provided for in a waiver signed by duly authorized representatives of the Departments and the Contractor, failure by either party at any time to require performance by the other party or to claim a breach of any provision of the Contract shall not be construed as affecting any subsequent right to require performance or to claim a breach.

**s. Notice.** Any and all notices, designations, consents, offers, acceptances or any other communication provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by Federal Express, courier or other similar and reliable carrier which shall be addressed to each party's contract manager as set forth on the Contract Declarations & Execution Page(s). Each such notice shall be deemed to have been provided:

(1) At the time it is actually received; or,

(2) Within one day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day delivery; or,

(3) Within five (5) days after it is deposited in the U.S. Mail in the case of registered U.S. Mail. From time to time, the parties may change the name and address of a party designated to receive notice. Such change of the designated person shall be in writing to the other party and as provided herein.

**t. Cumulative Rights.** The various rights, powers, options, elections and remedies of any party provided in this Contract, shall be construed as cumulative and not one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of any party to pursue any other equitable or legal remedy to which any party may be entitled.

**u. Severability.** If any provision of this Contract is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of this Contract.

**v. Time is of the Essence.** Time is of the essence with respect to the Contractor's performance of the terms of this Contract. Contractor shall ensure that all personnel providing Deliverables to the Departments are responsive to the Departments' requirements and requests in all respects.

**w. Authorization.** Contractor represents and warrants that:

(1) It has the right, power and authority to enter into and perform its obligations under this Contract, and (2) It has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of this Contract, and this Contract constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

**x. Successors in Interest.** All the terms, provisions, and conditions of the Contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

**y. Records Retention and Access.** The Contractor shall maintain accurate, current, and complete records of the financial activity of this Contract which sufficiently and properly document and calculate all charges billed to the Departments throughout the term of this Contract and for a period of at least five (5) years following the date of final payment or completion of any required audit (whichever is later). If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the five (5) year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five (5) year period, whichever is later. The Contractor shall permit the Departments, the Auditor of the

State or any other authorized representative of the State and where federal funds are involved, the Comptroller General of the United States or any other authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, electronic or optically stored and created records or other records of the Contractor relating to orders, invoices or payments or any other documentation or materials pertaining to this Contract, wherever such records may be located. The Contractor shall not impose a charge for audit or examination of the Contractor's books and records. Based on the audit findings, the Departments reserve the right to address the Contractor's board or other managing entity regarding performance and expenditures. When state or federal law or the terms of this Contract require compliance with OMB Circular A-87, A-110, or other similar provision addressing proper use of government funds, the Contractor shall comply with these additional records retention and access requirements:

(1) Records of financial activity shall include records that adequately identify the source and application of funds. When the terms of this Contract require matching funds, cash contributions made by the Contractor and third party in-kind (property or service) contributions must be verifiable from the Contractor's records. These records must contain information pertaining to contract amount, obligations, unobligated balances, assets, liabilities, expenditures, income and third-party reimbursements.

(2) The Contractor shall maintain accounting records supported by source documentation that may include but are not limited to cancelled checks, paid bills, payroll, time and attendance records, and contract award documents.

(3) The Contractor, in maintaining project expenditure accounts, records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from administrative or compliance reviews and audits. Such adjustments shall be set forth in the financial reports filed with the Departments.

(4) The Contractor shall maintain a sufficient record keeping system to provide the necessary data for the purposes of planning, monitoring and evaluating its program.

(5) The Contractor shall retain all medical records for a period of six (6) years from the last date of service for each patient; or in the case of a minor patient or client, for a period consistent with that established by Iowa Code § 614.1(9). Client records, which are non-medical, must be maintained for a period of five (5) years.

**z. Audits.** Local governments and non-profit subrecipient entities that expend \$500,000 or more in a year in federal awards (from all sources) shall have a single audit conducted for that year in accordance with the provisions of OMB Circular A-133 "Audit of States, Local Governments, and Non-Profit Organizations." A copy of the final audit report shall be submitted to the Departments if either the schedule of findings and questioned costs or the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Departments. If an audit report is not required to be submitted per the criteria above, the subrecipient must provide written notification to the Departments that the audit was conducted in accordance with Government Auditing Standards and that neither the schedule of findings and questioned costs nor the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Departments. See A-133 Section 21 for a discussion of subrecipient versus vendor relationships. Contractor shall provide the Departments with a copy of any written audit findings or reports, whether in draft or final form, within 24 hours following receipt by the Contractor. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

**a.a. Qualifications of Staff.** The Contractor shall be responsible for assuring that all persons, whether they are employees, agents, subcontractors or anyone acting for or on behalf of the Contractor, are properly licensed, certified or accredited as required under applicable state law and the Iowa

Administrative Code. The Contractor shall provide standards for service providers who are not otherwise licensed, certified or accredited under state law or the Iowa Administrative Code.

**b.b. Solicitation.** The Contractor represents and warrants that no person or selling agency has been employed or retained to solicit and secure this Contract upon an agreement or understanding for commission, percentage, brokerage or contingency excepting bona fide employees or selling agents maintained for the purpose of securing business.

**c.c. Obligations Beyond Contract Term.** This Contract shall remain in full force and effect to the end of the specified term or until terminated pursuant to this Contract. All obligations of the Departments and the Contractor incurred or existing under this Contract as of the date of expiration or termination will survive the termination or expiration of this Contract.

**d.d. Counterparts.** The parties agree that this Contract has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument.

**e.e. Delays or Potential Delays of Performance.** Whenever the Contractor encounters any difficulty which is delaying or threatens to delay the timely performance of this Contract, including but not limited to potential labor disputes, the Contractor shall immediately give notice thereof in writing to the Departments Contract Managers with all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by the Departments or the State of any rights or remedies to which either is entitled bylaw or pursuant to provisions of this Contract. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay. Furthermore, Contractor will not be excused from failure to perform that is due to a force majeure unless and until the Contractor provides notice pursuant to this provision.

**f.f. Delays or Impossibility of Performance Based on a Force Majeure.** Neither party shall be in default under the Contract if performance is prevented, delayed or made impossible to the extent that such prevention, delay, or impossibility is caused by a "force majeure." The term "force majeure" as used in this Contract includes an event that no human foresight could anticipate or which if anticipated, is incapable of being avoided. Circumstances must be abnormal and unforeseeable, so that the consequences could not have been avoided through the exercise of all due care, such as acts of God, war, civil disturbance and other similar causes. The delay or impossibility of performance must be beyond the control and without the fault or negligence of the parties. "Force majeure" does not include: financial difficulties of the Contractor or any parent, subsidiary, affiliated or associated company of Contractor; claims or court orders that restrict Contractor's ability to deliver the Deliverables contemplated by this Contract; strikes; labor unrest; or supply chain disruptions. If delay results from a subcontractor's conduct, negligence or failure to perform, the Contractor shall not be excused from compliance with the terms and obligations of the Contract unless the subcontractor or supplier is prevented from timely performance by a "force majeure" as defined in this Contract. If a "force majeure" delays or prevents the Contractor's performance, the Contractor shall immediately use its best efforts to directly provide alternate, and to the extent possible, comparable performance. Comparability of performance and the possibility of comparable performance shall be determined solely by the Departments. The party seeking to exercise this provision and not perform or delay performance pursuant to a "force majeure" shall immediately notify the other party of the occurrence and reason for the delay. The parties shall make every effort to minimize the time of nonperformance and the scope of work not being performed due to the unforeseen events. Dates by which performance obligations are scheduled to be met will be extended only for a period of time equal to the time lost due to any delay so caused.

**g.g. Conflict of Interest.** Contractor represents, warrants, and covenants that no relationship exists or will exist during the Contract period between the Contractor and the Departments that is a

conflict of interest. No employee, officer or agent of the Contractor or subcontractor shall participate in the selection or in the award or administration of a subcontract if a conflict of interest, real or apparent, exists. The provisions of Iowa Code chapter 68B shall apply to this Contract. If a conflict of interest is proven to the Departments, the Departments may terminate this Contract, and the Contractor shall be liable for any excess costs to the Departments as a result of the conflict of interest. The Contractor shall establish safeguards to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being, motivated by the desire for private gain for themselves or others with whom they have family, business, or other ties. The Contractor shall report any potential, real, or apparent conflict of interest to the Departments.

**h.h. Certification regarding sales and use tax.** By executing this Contract, the Contractor certifies it is either (a) registered with the Iowa Department of Revenue, collects, and remits Iowa sales and use taxes as required by Iowa Code chapter 423; or (b) not a "retailer" or a "retailer maintaining a place of business in this state" as those terms are defined in Iowa Code subsections 423.1(42) & (43). The Contractor also acknowledges that the Departments may declare the Contract void if the above certification is false. The Contractor also understands that fraudulent certification may result in the Departments or their representative filing for damages for breach of contract.

**i.i. Right to Address the Board of Directors or Other Managing Entity.** The Departments reserve the right to address the Contractor's board of directors or other managing entity of the Contractor regarding performance, expenditures and any other issue as appropriate. The Departments determine appropriateness.

**j.j. Repayment Obligation.** In the event that any State and/or federal funds are deferred and/or disallowed as a result of any audits or expended in violation of the laws applicable to the expenditure of such funds, the Contractor shall be liable to the Departments for the full amount of any claim disallowed and for all related penalties incurred. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

**k.k. Further Assurances and Corrective Instruments.** The parties agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such amendments hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Contract.

**l.l. Reporting Requirements.** If this Contract permits other State agencies and political subdivisions to make purchases off of the Contract, the Contractor shall keep a record of the purchases made pursuant to the Contract and shall submit a report to the Departments on a quarterly basis. The report shall identify all of the State agencies and political subdivisions making purchases off of this Contract and the quantities purchased pursuant to the Contract during the reporting period.

**m.m. Immunity from Liability.** Every person who is a party to the Contract is hereby notified and agrees that the State, the Departments, and all of their employees, agents, successors, and assigns are immune from liability and suit for or from Contractor's and/or subcontractors' activities involving third parties and arising from the Contract.

**n.n. Public Records.** The laws of the State require procurement records to be made public unless otherwise provided by law.

**o.o. Use of Name or Intellectual Property.** Contractor agrees it will not use the Departments and/or State's name or any of their intellectual property, including but not limited to, any State, state agency, board or commission trademarks or logos in any manner, including commercial advertising or as a business reference, without the expressed prior written consent of the Departments and/or the State.

**p.p. Taxes.** The State is exempt from Federal excise taxes, and no payment will be made for any taxes levied on Contractor's employee's wages. The State is exempt from State and local sales and use taxes on the Deliverables.

**q.q. No Minimums Guaranteed.** The Contract does not guarantee any minimum level of purchases or any minimum amount of compensation.

## CONTRACT CERTIFICATIONS

### CERTIFICATION OF COMPLIANCE WITH PRO-CHILDREN ACT OF 1994

Contractor must comply with Public Law 103-227, Part C Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the Deliverables are funded by federal programs either directly or through State or local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities (other than clinics) where WIC coupons are redeemed.

The Contractor further agrees that the above language will be included in any subawards that contain provisions for children's services and that all subgrantees shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to \$1000 per day.

### CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION --LOWER TIER COVERED TRANSACTIONS

By signing and submitting this document, the Contractor is providing the certification set out below:

1. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the Contractor knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

2. The Contractor shall provide immediate written notice to the person to whom this document is submitted if at any time the Contractor learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principle, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this document is submitted for assistance in obtaining a copy of those regulations.

4. The Contractor agrees by submitting this document that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Departments or agency with which this transaction originated.

5. The Contractor further agrees by submitting this document that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

6. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions,

unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. A participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

7. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

8. Except for transactions authorized under paragraph 4 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the Departments or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

a. The Contractor certifies, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

b. Where the Contractor is unable to certify to any of the statements in this certification, such Contractor shall attach an explanation to this document.

#### CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid on behalf of the sub-grantee to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of the Congress, an officer or employee of the Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant loan or cooperative agreement.

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of the Congress, or an employee of a Member of Congress in connection with this Contract, grant, loan, or cooperative agreement, the applicant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C.A. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### CERTIFICATION REGARDING DRUG FREE WORKPLACE

1. **Requirements for Contractors Who are Not Individuals.** If Contractor is not an individual, by signing below Contractor agrees to provide a drug-free workplace by:

a. publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's workplace and specifying the actions that will be taken against employees for violations of such prohibition;



- b. establishing a drug-free awareness program to inform employees about:
    - (1) the dangers of drug abuse in the workplace;
    - (2) the person's policy of maintaining a drug-free workplace;
    - (3) any available drug counseling, rehabilitation, and employee assistance programs; and
    - (4) the penalties that may be imposed upon employees for drug abuse violations;
  - c. making it a requirement that each employee to be engaged in the performance of such contract be given a copy of the statement required by subparagraph (a);
  - d. notifying the employee in the statement required by subparagraph (a), that as a condition of employment on such contract, the employee will:
    - (1) abide by the terms of the statement; and
    - (2) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than 5 days after such conviction;
  - e. notifying the contracting agency within 10 days after receiving notice under subparagraph (D)(ii) from an employee or otherwise receiving actual notice of such conviction;
  - f. imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by, any employee who is so convicted, as required by 41 U.S.C. § 703; and
  - g. making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs (a), (b), (c), (d), (e), and (f).
- 2. Requirement for individuals.** If Contractor is an individual, by signing below Contractor agrees to not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.
- 3. Notification Requirement.** Contractor shall, within 30 days after receiving notice from an employee of a conviction pursuant to 41 U.S.C. § 701(a)(1)(D)(ii) or 41 U.S.C. § 702(a)(1)(D)(ii):
- (a) take appropriate personnel action against such employee up to and including termination; or
  - (b) require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

By signing the Contract Declarations and Execution Page, Contractor certifies that the above is true and accurate, Contractor will fully comply with obligations herein. If any conditions within these certifications change, the Contractor will provide written notification to the Departments within 24 hours. Contractor has caused a duly authorized representative to execute this Contract Certifications document concurrently with the underlying Contract.

## **Business Associate Agreement**

THIS ADDENDUM to the Contract supplements and is made a part of the Iowa Department of Human Services ("Department") Contract (hereinafter, the "Underlying Agreement") between the Department and Contractor ("the Business Associate"). This Addendum, when accepted by the Department, establishes the terms of the relationship between the Department and the Business Associate.

Whereas, the Department and the Business Associate are parties to the Underlying Agreement pursuant to which the Business Associate provides or performs certain services on behalf of or for the Department. The Department discloses to the Business Associate certain Protected Health Information ("PHI," (as defined in 45 C.F.R. § 164.501), related to the services performed by the Business Associate for the relationship and, in connection with the provision of those services. This PHI is subject to protection under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA");

Whereas, the Department is a "Covered Entity" as that term is defined in the HIPAA implementing regulations, 45 C.F.R. Part 160 and Part 164, Subparts A and E, the Standards for Privacy of Individually Identifiable Health Information ("Privacy Rule");

Whereas, Contractor provides or performs certain services on behalf of or for the Department which require the disclosure of PHI from the Department and is, therefore a "Business Associate" as that term is defined in the Privacy Rule;

Whereas, pursuant to the Privacy Rule and the Security Rule, all Business Associates of Covered Entities must agree in writing to certain mandatory provisions regarding the use and disclosure of PHI; and

Whereas, the purpose of this Addendum is to comply with the requirements of the Privacy Rule and the Security Rule, including, but not limited to, the Business Associate's contract requirements at 45 C.F.R. §164.504(e) and 45 C.F.R. §164.314.

NOW, THEREFORE in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. **Definitions.** Unless otherwise provided in this Addendum, capitalized terms have the same meanings as set forth in the Privacy Rule and the Security Rule.

2. **Scope of Use and Disclosure by Business Associate of Protected Health Information.**

a. The Business Associate shall be permitted to use and disclose PHI that is disclosed to it by the Department as necessary to perform its obligations under the Underlying Agreement.

b. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or required by law, the Business Associate may:

(1) Use the PHI in its possession for its proper management and administration and to fulfill any legal responsibilities of the Department

(2) Disclose the PHI in its possession to a third party for the purpose of proper management and administration or to fulfill any legal responsibilities of the Department; provided, however, that the disclosures are required by law or Business Associate has received from the third party written assurances that:

(i) The information will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the third party; and

(ii) The third party will notify the Business Associate of any instances of which it becomes aware in which the confidentiality of the information has been breached; and

(iii) Disclose or use any PHI created or received by the Department under this Addendum, for other purposes, so long as it has been de-identified and the de-identification conforms to the requirements of the Privacy Rule.

**3. Obligations of Business Associate.** In connection with its use and disclosure of PHI, the Business Associate agrees that it will:

a. Use or further disclose PHI only as permitted or required by this Addendum or as required by law.

b. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Addendum;

c. To the extent practicable, mitigate any harmful effect that is known to the Business Associate of a use or disclosure of PHI in violation of this Addendum.

d. Promptly report to the Department any use or disclosure of PHI not provided for by this Addendum of which the Business Associate becomes aware.

e. Require contractors or agents to whom the Business Associate provides PHI to agree to the same restrictions and conditions that apply to the Business Associate pursuant to this Addendum.

f. Make available to the Secretary of Health and Human Services the Business Associate's internal practices, books and records relating to the use and disclosure of PHI for purposes of determining the Business Associate's compliance with the Privacy Rule, subject to any applicable legal privileges.

g. Obtain consents, authorizations and other permissions from all individuals necessary or required by laws applicable to the Business Associate to fulfill its obligations under the Underlying Agreement and this Addendum.

h. Promptly comply with any changes in, or revocation of, permission by an Individual for the Business Associate or the Department to use or disclose PHI, after receiving written notice by the Department.

i. Promptly comply with any restrictions on the use and disclosure of PHI about Individuals that the Department has agreed to, after written notice by the Departments.

- j. Within (15) days of receiving a request from the Department, make available the information necessary for the Department to make an accounting of disclosures of PHI about an individual.
- k. Within ten (10) days of receiving a written notice from the Department about a request from the Individual, make available PHI necessary for the response to individuals' requests for access to PHI about them in the Business Associate's possession which constitutes part of the Department's Designated Record Set.
- l. Within fifteen (15) days of receiving a written notice from the Department to amend or correct an Individual's PHI in accordance with the Privacy Rule, make the amendments or corrections to PHI in Business Associate's possession which constitutes part of the Department's Designated Record Set.
- m. Implement administrative, physical, and technical safeguards that protect the confidentiality, integrity, and availability of the electronic PHI that it creates, maintains, or transmits on behalf of the Department. This security requirement is effective April 20, 2005.
- n. Promptly report to the Department any security incident of which the Business Associate becomes aware. This security requirement is effective April 20, 2005.

**4. Obligations of the Department.** The Department agrees that it:

- a. Has included, and will include, in the Department's required Notice of Privacy Practices that the Business Associate may disclose PHI for health care operations purposes.
- b. Has obtained, and will obtain, from Individuals authorizations and other permissions necessary or required by laws applicable to the Department and the Business Associate to fulfill their obligations under the Underlying Agreement and this Addendum.
- c. Will promptly notify Business Associate in writing of any restrictions on the use and disclosure of PHI about Individuals that the Department has agreed to that may affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Addendum.
- d. Will promptly notify the Business Associate in writing of any changes in, or revocation of, authorization by an Individual to use or disclose PHI, if such changes or revocation may affect the Business Associate's ability to perform its obligations under the Underlying Agreement or this Addendum.

**5. Termination.**

- a. Termination for Cause. The Department may terminate this Addendum for cause if the Department determines that the Business Associate, or any of its subcontractors, etc. has breached a material term of this Addendum. The Department will allow the Business Associate an opportunity to cure the breach. The Department shall provide written notice to the Business Associate requesting that the breach be remedied within the period of time specified in the notice. If the breach is not remedied by the date specified to the satisfaction of the Department, the Department may immediately terminate this Addendum and the Underlying Agreement.

b. Automatic Termination. This Addendum will automatically terminate upon the termination or expiration of the Underlying Agreement.

c. Effect of Termination.

(1) Termination of this Addendum will result in termination of the Underlying Agreement.

(2) Upon termination of this Addendum or the Underlying Agreement, unless specially required by the Department for the business associate to retain the protected health information, the Business Associate will return or destroy all PHI received from the Department, or created or received by the Business Associate on behalf of the Department, that the Business Associate still maintains and retain no copies of such PHI. If such return or destruction is not feasible, the Business Associate will extend the protections of this Addendum to the PHI and limit any further uses and disclosures. The Business Associate will provide the Department in writing the reason that will make the return or destruction of the information infeasible.

**6. Amendment.** The Department and the Business Associate agree to take such action as is necessary to amend this Addendum from time to time as is necessary for the Business Associate to comply with the requirements of the Privacy Rule and/or the Security Rule.

**7. Survival.** The obligations of the Business Associate under section 5.c.(2) of this Addendum shall survive any termination of this addendum.

**8. No Third Party Beneficiaries.** Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon a person other than the parties and their respective successors or assigns, an rights, remedies, obligations or liabilities whatsoever.

**9. Effective Date.** This Addendum shall be effective on the date the parties enter into the underlying Contract that is the subject of this Addendum.

**Amendment SFY10 IDHS-05 to the Contract Between the Iowa Department of  
Human Services, the Iowa Department of Public Health, and  
Magellan Behavioral Care of Iowa Inc. for the  
Iowa Plan for Behavioral Health.**

This Amendment FY10 IDHS-05 to the Contract effective 1-1-2010 for the Iowa Plan for Behavioral Health, between the Iowa Department of Human Services (DHS), the Iowa Department of Public Health (DPH) and Magellan Behavioral Care of Iowa, Inc. (Contractor) is effective as of January 1, 2010.

**Section 1. Amendment to Contract Section 2.1(3)(a).** The Contract is amended and supplemented as follows:

The parties mutually agree to adopt the Department of Human Service capitation rates for Medicaid members determined by an independent actuary. The reduction in rates is pursuant to Governor Culver's Executive order number nineteen (19) mandating budget reductions in state government.

These rates were established pursuant to the recalculation of capitation rates in November 2009, by Milliman, Inc., with whom the Department contracts to determine actuarially sound capitation rates according to 42 CFR 438.6 (c)(i). The rates we propose would be a 3.9% reduction on the current rates paid.

<b>CATEGORY/AGE RANGE</b>	<b>FEMALE</b>	<b>MALE</b>
<b>FMAP 0-17</b>	<b>\$8.31</b>	<b>\$10.09</b>
<b>FMAP 18-64</b>	<b>\$31.06</b>	<b>\$21.55</b>
<b>SSI 0-17</b>	<b>\$30.05</b>	<b>\$42.16</b>
<b>SSI 18-64</b>	<b>\$101.53</b>	<b>\$93.12</b>
<b>Dual eligibles 0-64</b>	<b>\$56.59</b>	<b>\$62.34</b>
<b>Foster Care 0-9</b>	<b>\$32.54</b>	<b>\$51.63</b>
<b>Foster Care 10-22</b>	<b>\$139.92</b>	<b>\$144.70</b>

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**Section 2. Ratification**

Except as expressly amended and supplemented herein, the Contract shall remain in full force and effect, and the parties hereby ratify and confirm the terms and conditions thereof.

**Section 3. Authorization**

Each party to this Amendment represents and warrants to the other that:

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- 4.1 It has the right, power, and authority to enter into and perform its obligations under this Amendment.
- 4.2 It has taken all requisite actions (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Amendment, and this Amendment constitutes a legal, valid and binding obligation upon itself in accordance with its terms.


**Section 4. Contingency**

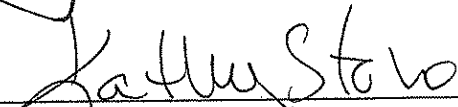
This amendment is subject to and contingent upon CMS approval.

**Section 5. Execution**

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Amendment and have caused their duly authorized representatives to execute this Amendment.

**State of Iowa, acting by and through the Iowa Department of Human Services,**

By:  Date: 2/4/10  
Charles J. Krogmeier, Director  
Iowa Department of Human Services

By:  Date: 2/9/10  
Kathy Stone, Division Director  
Iowa Department of Public Health

**Magellan Behavioral Care of Iowa, Inc. (Contractor)**

By:  Date: 1/12/10  
Anne M. McCabe, President  
Magellan Behavioral Care of Iowa

# IOWA PLAN FOR BEHAVIORAL HEALTH

Contract # MED-09-020

Amend FY 2010/2011-IDPH-01

This contract is between the Iowa Department of Public Health ("IDPH"), the Iowa Department of Human Services ("DHS"), and Magellan Behavioral Care of Iowa, Inc. ("Contractor"), 2600 Westown Parkway, Suite 200, West Des Moines, IA 50266 for substance abuse treatment services for the contract period of January 1, 2010 through June 30, 2011. Total funding for the contract period is \$36,471,530. IDPH's monthly payment to the Contractor for January 1 through June 30, 2010 shall be \$2,081,926.79. IDPH's monthly payment to the Contractor for July 1, 2010 through June 30, 2011 shall be \$1,998,330.80.

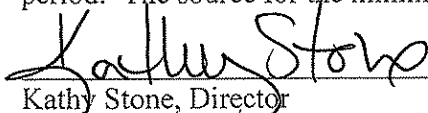
Contract funding comes from following sources:

State	\$21,726,642
Federal – Block Grant CFDA# 93.959	\$11,838,050
Federal – Women and Children	\$ 2,086,425
Other – SSBG (Disaster Relief)	\$820,413
<b>Total Contract Funding</b>	<b>\$36,471,530</b>

Contract funding shall be distributed as follows:

Providers	January - June 2010	July 2010 - June 2011
Treatment Services	\$10,532,568	\$21,065,135
Incentives	\$104,504	\$828,188
Women and Children Treatment	\$695,613	\$1,391,227
Disaster Relief	\$796,621	\$0
<b>Magellan</b>		
Administration Fee (2.9%)	\$362,255	\$695,419
<b>Total Contract Funding</b>	<b>\$12,491,561</b>	<b>\$23,979,969</b>

The minimum number and client mix requirements are as outlined in the Request for Proposals (RFP). The minimum unduplicated number of IDPH participants for the contract period is 27,295. Contractor, through its Providers, shall render services to 100% of the minimum number by the end of the contract period. The source for the minimum number will be IDPH's designated data system.

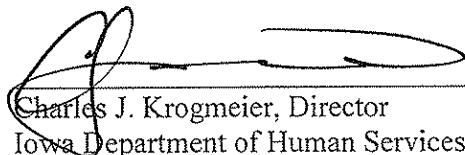


Kathy Stone, Director

Division of Behavioral Health, Iowa Department of Public Health

Date

1/14/10

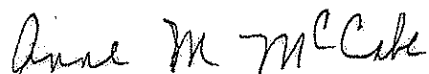


Charles J. Krogmeier, Director

Iowa Department of Human Services

Date

1/15/10



Anne McCabe, President

Magellan Behavioral Care of Iowa, Inc.

1/13/10

Date



**Amendment SFY10 IDHS-06 to the Contract Between the Iowa Department of  
Human Services, the Iowa Department of Public Health, and  
Magellan Behavioral Care of Iowa Inc. for the  
Iowa Plan for Behavioral Health.**

This Amendment FY10 IDHS-06 to the Contract effective January 1, 2010 for the Iowa Plan for Behavioral Health, between the Iowa Department of Human Services (DHS), the Iowa Department of Public Health (DPH) and Magellan Behavioral Care of Iowa, Inc. (Contractor) is effective as of January 1, 2010.

**Section 1. Amendment to Contract in the Iowa Plan Request for Proposal Attachments (No 09-010): Section 9.** The Contract is amended and supplemented as follows:

The parties mutually agree to adopt the Iowa Plan Performance Indicators as attached for the period of January 1, 2010 to June 30, 2010.

**Section 2. Ratification**

Except as expressly amended and supplemented herein, the Contract shall remain in full force and effect, and the parties hereby ratify and confirm the terms and conditions thereof.

**Section 3. Authorization**

Each party to this Amendment represents and warrants to the other that:

- 4.1 It has the right, power, and authority to enter into and perform its obligations under this Amendment.
- 4.2 It has taken all requisite actions (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Amendment, and this Amendment constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

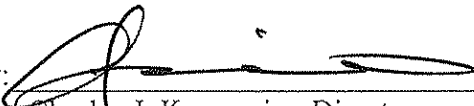
**Section 4. Contingency**

This amendment is subject to and contingent upon CMS approval.

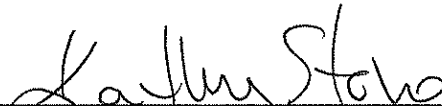
**Section 5. Execution**

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Amendment and have caused their duly authorized representatives to execute this Amendment.

State of Iowa, acting by and through the Iowa Department of Human Services,

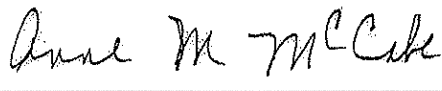
By:   
Charles J. Krogmeier, Director  
Iowa Department of Human Services

Date: 2/19/10

By:   
Kathy Stone, Division Director  
Iowa Department of Public Health

Date: 2/9/10

**Magellan Behavioral Care of Iowa, Inc. (Contractor)**

By:   
Anne M. McCabe, President  
Magellan Behavioral Care of Iowa, Inc.

Date: 2/9/10

**Iowa Plan for Behavioral Health  
Performance Indicators  
January 1, 2010**

**PERFORMANCE INDICATORS  
CARRYING MEDICAID FINANCIAL INCENTIVES  
IOWA PLAN FOR BEHAVIORAL HEALTH  
CONTRACT PERIOD #1**

**January 1, 2010 – June 30, 2010**

The Contractor shall provide to the Departments a monthly written report on all performance indicators to which financial incentives have been attached. These indicators will be reassessed annually by the Departments and the Iowa Plan Advisory Committee and may be modified annually at the Departments' discretion. Each indicator should be reported with either monthly or quarterly measurements (as specified) and with a contract year-to-date measurement. For performance indicators that utilize HEDIS specifications, the Contractor shall also report national Medicaid HEDIS 75<sup>th</sup> and 90<sup>th</sup> percentile rates for the indicator, using the most recently reported NCQA data, for comparison purposes.

The measurement specifications for each performance indicator shall be defined in detail in a methodology appendix attached to each report. The measurement specifications shall be reviewed and approved in writing by the Departments no later than 60 days after the Contract Operational Start Date.

For the attainment of each designated financial incentive performance indicator for the time period of January 1 through June 30, 2010 the measures will be prorated. For the period of July 1, 2010-June 30, 2011, the measures and the financial amounts shall be annualized. The Contractor shall be paid the amount the Department of Human Services has associated with each indicator. The Department of Human Services shall be solely responsible for determining whether or not the Contractor has met the required level of performance. The Department shall take whatever steps it deems appropriate to validate all information provided by the Contractor, including auditing Contractor measurement processes and data, prior to issuing incentive payments.

**1. Quality of Care: Mental Health Readmission**

Rate of mental health inpatient readmission by children and adults at 7, 30, and 90 days will be no higher than the following:

7-day readmission (monitor only)	30-day readmission	90-day readmission (monitor only)
children: 6.0%	children: 14.0%	children: 25.0%
adults: 6.0%	adults: 14.0%	adults: 25.0%

Numerator: The number of inpatient readmissions within 7/30/90 days of discharge.\*

Denominator: The number of inpatient discharges that occur within the reporting periods, less 30 days.\*

\*Discharges/readmits at the MHI where the Enrollee is moving between inpatient and residential are not counted. Court ordered inpatient admissions are not counted.

Data Source: Claims.  
Standard

7-day readmission (Monitor Only) 6% or less	30-day readmission (Incentive) 14% or less	90-day readmission (Monitor Only) 25% or less
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<p>2. <u>Quality of Care: Community Tenure</u>  The average time between mental health hospitalizations per contract period shall not fall below 94 days for Iowa Plan Enrollees.</p> <p>For Enrollees who were admitted to a mental health inpatient hospital setting which is funded by the Contractor and subsequently readmitted to a mental health inpatient hospital setting funded by the Contractor within the contract period and the preceding 12 months of the contract period, the average number of days between discharge and readmission(s). The numbers must reflect all Enrollees who were re-admitted despite Contractor denial as well as those Enrollees whose admission was authorized.</p>	<p>Data Source: Authorizations.</p> <p>Standard</p> <p>94 days or more (children) before readmission – (monitor only)  94 days or more (adults) before readmission – (monitor only)  94 days or more (children and adults) before readmission – (incentive)</p>
<p>3. <u>Service Array: Integrated Services and Supports -</u>  At least 18% of mental health service expenditures, combined for children and adults, will be used in the provision of integrated services and supports, including natural supports, consumer-run programs, and services delivered in the home of the Enrollee.</p> <p>Numerator: The Contractor's combined mental health expenditures for integrated services and supports, consumer-run programs, and services delivered in the Enrollee's home, but also reported separately for adults and children</p> <p>Denominator: The Contractor's total claims expenditures for mental health services, but also reported separately for adults and children.</p>	<p>Data Source: Claims.</p> <p>Standard</p> <p>% of child MH service expenditures – (monitor only)  % of adult MH service expenditures – (monitor only)  18% or more of MH service expenditures – (incentive)</p>

<p>4. <u>Quality of Care: Follow-up Contact After Hospitalization for Mental Illness</u>  90% of Enrollees discharged from mental health inpatient care will receive a follow-up contact by a provider or by Magellan staff within 7 days of discharge.</p> <p>Numerator: The number of Enrollees discharged from a mental health inpatient setting (whether or not the inpatient hospitalization was authorized by the contractor at the time of discharge) during the contract period for whom claims data or other information from a provider reflects subsequent treatment service or a follow-up with Magellan's Staff within 7 calendar days of the discharge date.</p> <p>Denominator: The number of Enrollees discharged from a mental health inpatient setting (whether or not the inpatient hospitalization was authorized by the contractor at the time of discharge) during the contract period.</p> <p>Excluded: Clients not enrolled in the Iowa Plan at the time of discharge are excluded, even those clients who later gain Iowa Plan enrollment for the month of service. Clients determined to be admitted for a non-Iowa Plan diagnosis.</p> <p><b>Data Source: Authorizations, IP Medical Record and claims.</b></p>	
Standard	90% of Enrollees receive follow-up treatment within 7 days of discharge

<p>5. <u>Quality of Care: Follow-up After Hospitalization for Mental Illness (HEDIS)</u>  56% of Enrollees 6 years of age and older discharged from mental health inpatient care for selected disorders will receive outpatient, intensive outpatient program or partial hospitalization treatment services with a mental health practitioner within 7 days of discharge.</p> <p>76% of Enrollees 6 years of age and older discharged from mental health inpatient care for selected disorders will receive outpatient, intensive outpatient program or partial hospitalization treatment services with a mental health practitioner within 30 days of discharge.</p> <p>Numerator and Denominator: Utilize HEDIS 2009 specifications for the measure "Follow-Up After Hospitalization for Mental Illness"</p> <p>Exclude: Enrollees with Medicaid and Medicare</p> <p>Data Source: Claims and Enrollment.</p>	
Standard	56% of Enrollees receive follow-up treatment within 7 days of discharge (Incentive) 76% of Enrollees receive follow-up treatment within 30 days of discharge (Monitor)

<p>6. <u>Quality of Care: Follow-up After Hospitalization for Substance Abuse Treatment</u>  60% of Enrollees discharged from ASAM Levels III.5 and III.3 will receive a follow-up substance abuse service within 14 days of discharge</p> <p>Numerator: The number of Enrollees discharged from ASAM Levels III.5 and III.3 who received a follow-up substance abuse service reimbursed by the Contractor within 14 days (as documented in the Contractor's claim system) of discharge.</p> <p>Denominator: The number of Enrollees discharged from ASAM Levels III.5 and III.3.</p> <p>Exclude: Enrollees with Medicaid and Medicare</p> <p>Data Source: Authorizations and claims.</p>	
Standard	60% of Enrollees receive follow-up treatment within 14 days of discharge

<p>7. <u>Quality of Care: Implementation of Mental Health Inpatient Discharge Plans</u>  94% of all discharge plans written for Enrollees being released from a mental health inpatient hospitalization shall be implemented. (Minimum of 240 charts).</p> <p>Numerator: Number of Enrollees* who have been discharged from a mental health inpatient setting during the contract period (whether or not the inpatient hospitalization was authorized by the Contractor at the time of discharge) for whom claims data or provider records reflect implementation of the follow-up plan written with the Enrollee at the time of discharge.</p> <p>Denominator: Number of Enrollees* who have been discharged from a mental health inpatient setting during the contract period (whether or not the inpatient hospitalization was authorized by the Contractor at the time of discharge).</p> <p>*Numerator and Denominator numbers are based solely on the number of record reviews completed during the measurement period.</p> <p>DHS has the right to approve the sampling methodology and review criteria should the Contractor utilize provider records for this measurement.</p>	
Data Source: Chart Review.	
Standard	94% or more of all discharge plans are implemented Minimum of 240 charts (Annual Number)

<p>8. <u>Network Management</u>  The Contractor shall fully implement, to the Departments' satisfaction, the provider profile reporting and related provider network management requirements prescribed in Section 5C.2-5 of the RFP no later than May 31, 2010.</p>	<p>Data Source: Contractor Documentation of Profile Reports Design and Production and of High-Volume Provider Meetings and Goal Setting.</p>
<p>Standard</p>	<p>Full implementation of the provider profile reporting and related provider network management requirements prescribed in Section 5C.5 of the RFP</p>



**MEDICAID PERFORMANCE INDICATORS  
WITH FINANCIAL DISINCENTIVES  
IOWA PLAN FOR BEHAVIORAL HEALTH  
CONTRACT PERIOD #1**

The Contractor shall provide to the Departments a monthly written report on all performance indicators to which financial disincentives have been attached. These indicators will be reassessed annually by the Departments and the Iowa Plan Advisory Committee and may be modified annually at the Departments' discretion. Each indicator should be reported with either monthly or quarterly measurement (as specified) and with a contract year-to-date measurement. For performance indicators that utilize HEDIS specifications, the Contractor shall also report national Medicaid HEDIS 75<sup>th</sup> and 90<sup>th</sup> percentile rates for the indicator, using the most recently reported NCQA data, for comparison purposes.

The measurement specifications for each performance indicator shall be defined in detail in a methodology appendix attached to each report. The measurement specifications shall be reviewed and approved in writing by the Departments no later than 60 days after the Contract Operational Start Date.

The initial review period shall begin January 1 through June 30, 2010 the measures will be prorated. For the period of July 1, 2010-June 30, 2011, the measures shall be annualized. Disincentives shall be assessed solely at the discretion of the Department of Human Services. The Departments shall take whatever steps they deem appropriate to validate all information provided by the Contractor, including auditing Contractor measurement processes and data.

**1. Consumer Involvement**

New Enrollee information, including a list of network providers, will be mailed to each new Enrollee in the Iowa Plan within 10 working days after the first time his or her name is provided to the Contractor.

When the name of a new Iowa Plan Enrollee is provided to the Contractor, the Contractor shall mail required new Enrollee information on Iowa Plan services within 15 working days. The standard shall be met for 95% of Enrollees, and in no case shall more than 15 working days elapse before all new Enrollees are mailed enrollment information.

Data Source: Manual Tracking System.

Standard

95% within 10 working days  
100% within 15 working days

2. Quality of Care: Mental Health Discharge Plan

A discharge plan shall be documented on the day of discharge for 90% of Enrollees being discharged from the following mental health settings: inpatient, partial hospitalization, and day treatment. The discharge plan shall include, at a minimum: 1) the next appointment(s) and/or place of care, 2) medications (if applicable), 3) emergency contact numbers, and 4) if applicable, restrictions on activities and when the Enrollee can return to work or school, including the school setting.

Numerator: The number of Enrollees\* who have been discharged from mental health inpatient, mental health partial hospitalization, and mental health day treatment for whom a discharge plan was documented in the record on the day of discharge.

Denominator: The number of Enrollees\* discharged from mental health inpatient, mental health partial hospitalization, and mental health day treatment settings.

Note: This measure excludes Enrollees who left treatment against medical advice.

\*Numerator and Denominator numbers are based solely on the number of record reviews completed during the measurement period.

Data Source: Retrospective Chart Reviews.

Standard

90% or more with documented discharge plan at discharge

3. Quality of Care: Discharge to Homeless or Emergency Shelter

The percentage of Enrollees under the age of 18 discharged from a mental health inpatient setting to a homeless or emergency shelter shall not exceed 1.0% of all mental health inpatient discharges of children under the age of 18.

Numerator: The number of Enrollees under the age of 18 who were transferred to a homeless or emergency shelter upon discharge from mental health inpatient care.

Denominator: The number of Enrollees under the age of 18 who were discharged from mental health inpatient care.

Note: Enrollees may be excluded if discharged upon the signed recommendation of a DHS or JCS worker.

Data Source: Authorizations.

Standard

≤ 1.0% of all MH discharges of children < 18

<p>4. <u>Quality of Care: Follow-up on Emergency Room visits</u>  95% of Enrollees who received services in an emergency room shall have a follow-up contact within 3 business days of the date the Contractor is notified of the ER service.</p> <p>Numerator: The number of Enrollees who were served in an emergency room, who received a documented follow-up contact within 3 business days of the date the Contractor was notified of the emergency room service.</p> <p>Denominator: The number of Enrollees who were served in an emergency room and the Contractor was notified of the emergency room service.</p> <p>Note: Documented follow-up may include treatment at a 24-hour setting to which the Member returned or was admitted following the ER presentation. In addition, documented follow-up includes Contractor's attempt to reach the Enrollee telephonically for each 24-hour period up to 3 business days and a subsequent letter to the Member within 3 business days if the Enrollee could not be reached telephonically.</p> <p>Data Source: ER Tracking System.</p> <table border="1"> <tr> <td>Standard</td> <td>Follow-up contact with 95% or more within 3 business days</td> </tr> </table>	Standard	Follow-up contact with 95% or more within 3 business days	<p>5. <u>Quality of Care: Participation in Joint Treatment Planning Conferences</u>  The Contractor shall arrange or participate in at least 20 Joint Treatment Planning conferences per month, and 450 per year.</p> <p>The number of times during the contract period in which staff representing the Contractor participated in prescheduled conference calls or face-to-face meetings in which persons authorized to commit funds from at least one other funding stream worked w/or on behalf of an Enrollee to design or revise a treatment plan.</p> <p>Data Source: JTP Tracking System.</p> <table border="1"> <tr> <td>Standard</td> <td>Arrangement or Participation in at least 20 JTPC per month, and 450 or more per year</td> </tr> </table>	Standard	Arrangement or Participation in at least 20 JTPC per month, and 450 or more per year
Standard	Follow-up contact with 95% or more within 3 business days				
Standard	Arrangement or Participation in at least 20 JTPC per month, and 450 or more per year				

6. Quality of Care: Follow-up After Hospitalization for Substance Abuse Treatment

At least 63% of Enrollees discharged from 24-hour substance abuse services (excluding Level III.1 – Halfway House) receive a follow-up substance abuse service within 30 days of discharge. Enrollees that left treatment AMA are excluded.

Numerator: The number of Enrollees discharged from 24-hour substance abuse services (excluding Level III.1 – Halfway House) who received a follow-up substance abuse service reimbursed by the Contractor within 30 days of discharge (as documented in the Contractor's claim system). Enrollees that left treatment AMA are excluded.

Denominator: The number of Enrollees discharged from 24-hour substance abuse services (excluding Level III.1 – Halfway House). Enrollees that left treatment AMA are excluded.

Exclude: Enrollees who leave against medical advice (AMA)

Data Source: Authorizations and Claims.

Standard

63% receive follow-up SA service within 30 days of discharge

7. Quality of Care: Substance Abuse Treatment Discharge Plan

A discharge plan shall be documented on the day of discharge for 90% of Enrollees being discharged from a substance abuse ASAM level III.7, III.5, and III.3 setting.

Numerator: The number of Enrollees\* who have been discharged from a substance abuse ASAM level III.7, III.5, and III.3 setting for whom a discharge plan was documented in the record on the day of discharge.

Denominator: The number of Enrollees\* discharged from a substance abuse ASAM level III.7, III.5, and III.3 setting.

Note: This measurement excludes Enrollees who left treatment against medical advice. This measure may be done based on a random sample of record audits.

\*Numerator and Denominator numbers are based solely on the number of record reviews completed during the measurement period.

Data Source: Retrospective Chart Reviews.

Standard

90% or more with discharge plan at discharge

<p>8. <u>Claims Payment</u>  Medicaid claims shall be paid or denied within the following time periods:</p> <ul style="list-style-type: none"> <li>• 90% within 12 calendar days</li> <li>• 99% within 30 calendar days</li> <li>• 100% within 90 calendar days</li> </ul> <p>Times shall be calculated from the date the claim is received by the Contractor until the date the check or denial letter is mailed to the provider.</p>	
Data Source: Claims.	90% within 12 calendar days 99% within 30 calendar days 100% within 90 calendar days
<p>9. <u>Appeal Reviews</u>  95% of appeals will be resolved as expeditiously as the Enrollee's health condition requires and within 14 calendar days from the date the Contractor received the appeal, other than in instances in which the Enrollee has requested, or DHS has approved, an extension. 100% must be resolved within 45 calendar days from the date the Contractor received the appeal, even in the event of an extension.</p> <p>In the event of an extension, 95% of the time the Contractor shall resolve the appeal within the additional 14-calendar-day period, and, in the case of a DHS-approved extension, give the Enrollee written notice of the reason for the decision to extend the timeframe.</p>	
Data Source: Appeal Tracking System.	95% appeals resolved within 14 calendar days 100% appeals resolved within 45 calendar days
<p>10. <u>Expedited Appeal Reviews</u>  100% of expedited appeals will be resolved as expeditiously as the Enrollee's health condition requires and within 72 hours from the date the Contractor received the appeal, other than in instances in which the Enrollee has requested, or DHS has approved, an extension.</p> <p>In the event of an extension, 95% of the time the Contractor shall resolve the appeal within 14 calendar days from the end of the 24-hour period, and, in the case of a DHS-approved extension, give the Enrollee written notice of the reason for the decision to extend the timeframe.</p>	
Data Source: Appeal Tracking System.	95% of extended reviews resolved within 14 calendar days from the end of the 24-hour period 100% appeals resolved within 72 hours of receipt

11. <u>Grievance Reviews</u>	95% of grievances will be resolved as expeditiously as the Enrollee's health condition requires and within 14 days from the date the Contractor received all information necessary to resolve the grievance, and 100% must be resolved within 60 calendar days of the receipt of all required documentation.
Data Source: Grievance Tracking System.	Standard 95% grievances resolved within 14 days, 100% resolved within 60 days
12. <u>Network Management</u>	Credentialing of all Iowa Plan providers applying for network provider status shall be completed as follows: 60% within 30 days; 100% within 90 days.
Completion time shall be tracked from the time all required paperwork is provided to the Contractor until the time a written communication is mailed or faxed to the provider notifying them of the Contractor's determination.	Data Source: Credentialing Tracking System. Standard 60% credentialed within 30 days, 100% within 90 days
13. <u>Network Management</u>	<p data-bbox="873 226 946 1948">Revisions to the Provider Manual shall be distributed to all network providers at least 30 calendar days prior to the effective date of the revisions.</p> <p data-bbox="979 128 1052 1948">Mailing dates of provider manual material shall be sent at least 30 calendar days prior to the effective date of material contained in the mailing. This measure applies to all information sent for all network providers.</p> <p data-bbox="1089 170 1162 1948">Note: With approval from the Departments, the time period preceding the effective date of a change may be less than 30 days if the change confers a benefit on providers or those served through the Iowa Plan.</p> <p data-bbox="1206 1665 1239 1948">Data Source: Manual.</p> <p data-bbox="1239 94 1274 2003">Standard Distributed 30 days or more prior to effective date</p>

**IDPH PERFORMANCE INDICATORS  
CARRYING LIQUIDATED DAMAGES  
IOWA PLAN FOR BEHAVIORAL HEALTH  
January 1 – June 30, 2010**

The Contractor shall provide to the Departments a monthly written report on all performance indicators to which disincentives have been attached. These indicators will be reassessed annually by IDPH and the Iowa Plan Advisory Committee and may be modified annually at IDPH's discretion. Each indicator should be reported with either monthly or quarterly measures (as specified) and with a contract year-to-date measure. The measurement specifications for each performance indicator shall be defined in detail in a methodology appendix attached to each report. The measurement specifications shall be reviewed and approved in writing by the Departments no later than 60 days after the Contract Operational Start Date.

For the attainment of each designated financial incentive performance indicator for the time period of indicator for the time period of January 1 through June 30, 2010 the measures will be prorated. For the period of July 1, 2010-June 30, 2011, the measures shall be annualized. The Contractor shall be paid the amount the Department of Public Health has associated with each indicator. The Department of Public Health shall be solely responsible for determining whether or not the Contractor has met the required level of performance. IDPH shall validate all information provided by the Contractor prior to issuing incentive payments.

1. <u>Minimum Number Served:</u>	
The Contractor shall at least serve the minimum number of unduplicated IDPH Participants.	
Methodology: Number of unduplicated IDPH Participants in accordance with contract condition with IDPH source of payment.	
Data Source: Iowa Service Management and Report Tool (ISMART).	<b>Minimum unduplicated number of IDPH Participants: 18,196 (Annual Number)</b>

<p>2. <u>Use of Service Necessity Criteria:</u></p> <p>90% of all retrospectively reviewed records for IDPH Participants will document the appropriate use of ASAM PPC2-R or the PMIC Admission and Continued Stay criteria, whichever is applicable, by network providers.</p> <p>Date Source: Provider Records.</p> <p>Standard</p> <p><b>90% appropriate use of service necessity criteria</b></p>	
<p>3. <u>Network Development:</u></p> <p>IDPH-specific performance measures for the IDPH Participant provider network will be incorporated into all IDPH provider contracts by July 1, 2009.</p> <p>Date Source: Contractor Provider Contracts.</p> <p>Standard</p> <p><b>100% of all contracts</b></p>	
<p>4. <u>Timely Receipt of Care</u></p> <p>90% of IDPH Participants who request and are in need of treatment for IV drug abuse are admitted to the IV drug treatment program not later than 14 days after making the request for admission, or 120 days after the date of the request if no program has the capacity to admit the individual on the date of such request and if interim services are made available to the individual not later than 48 hours after such request.</p> <p>Numerator: The number of IDPH Participants who request and are in need of IV drug abuse treatment and who receive treatment within 14 days of making the request <i>when program capacity exists at the time of the request.</i></p> <p>Denominator: The number of IDPH Participants who request and are in need of IV drug abuse treatment <i>when program capacity exists at the time of the request.</i></p> <p>Numerator: The number of IDPH Participants who request and are in need of IV drug abuse treatment and who receive treatment within 120 days of making the request <i>when program capacity does not exist at the time of the request.</i></p> <p>Denominator: The number of IDPH Participants who request and are in need of IV drug abuse treatment <i>when program capacity does not exist at the time of the request</i></p> <p>Data Source: Provider Records.</p> <p>Standard</p> <p>90% or more in treatment within 14 days of request (capacity exists) 90% or more in treatment within 120 days of request (capacity doesn't exist)</p>	



<p>5. <u>Client Mix</u> The Contractor shall maintain the appropriate percentages of IDPH Participant client mix.</p>	
Methodology: Percent of IDPH Participants in accordance with contract conditions with IDPH source of payment.	
	<b>Standard</b>
<b>Women:</b>	<b>27.8%</b>
<b>Pregnant:</b>	<b>4.3%</b>
<b>Criminal justice referral source:</b>	<b>63.9%</b>
<b>Unemployed:</b>	<b>30.7%</b>
<b>Race other than white:</b>	<b>12.5%</b>
<b>Prior substance abuse treatment:</b>	<b>41.3%</b>
<b>Monthly taxable income under \$1000:</b>	<b>65%</b>

<p>6. <u>Wait Time</u> The Contractor shall ensure that 75% of IDPH Participants recommended for and admitted to an Iowa Plan level of care are admitted within 5 calendar days of the assessment date.</p>	
Data Source: I-SMART	
<b>Standard</b>	<b>75% of IDPH Participants recommended for and admitted to an Iowa Plan level of care, are admitted within 5 calendar days of the assessment date.</b>

**PERFORMANCE INDICATORS MONITORING ONLY**  
**IOWA PLAN FOR BEHAVIORAL HEALTH**  
**CONTRACT PERIOD #1**

The Contractor shall provide to the Departments a monthly written report on all monitoring-only performance indicators. These indicators will be reassessed annually by the Departments and the Iowa Plan Advisory Committee and may be modified annually at the Departments' discretion. Each indicator should be reported with either monthly or quarterly measurements (as specified) and with a contract year-to-date measurement. For performance indicators that utilize HEDIS specifications, the Contractor shall also report national Medicaid HEDIS 75<sup>th</sup> and 90<sup>th</sup> percentile rates for the indicator, using the most recently reported NCQA data, for comparison purposes.

The measurement specifications for each performance indicator shall be defined in detail in a methodology appendix attached to each report. The measurement specifications shall be reviewed and approved in writing by the Departments no later than 60 days after the Contract Operational Start Date.

**Consumer Involvement and Quality of Life**

1. The Contractor shall conduct an annual Iowa Plan Eligible Person experience of care survey that assesses experience of care with mental health and substance abuse services for both child and adult populations. <ul style="list-style-type: none"> <li>• The survey instruments shall be standardized, validated tools approved by the Departments and shall address areas recommended by the Recovery Advisory Committee.</li> <li>• The number of surveys distributed shall represent at least the minimum number required to comprise a statistically valid sample of those Iowa Plan Eligible Persons who have accessed services in the past six months.</li> <li>• The acceptable response rate shall be determined by DHS and IDPH, in consultation with the Contractor.</li> <li>• Results shall be reported to Iowa Plan Eligible Persons as well as corrective actions implemented in response to findings of the surveys.</li> </ul>		Consumer Surveys conducted twice per contract year and results reported
Standard		
2. Based on the annual Eligible Person experience of care survey, 85% of respondents indicate satisfaction with services provided by the Iowa Plan.		
Standard		85% or more respondents express satisfaction

### Access and Array

3. The number of Iowa Plan Enrollee reported overall and separately for children and adults, for whom integrated services, rehabilitation, or support services were provided during the month, shall be 1% or more.	
<b>Data Source: Paid Claims Data.</b>	
Standard	1% or more received integrated services, rehabilitation, or support services

4. The Contractor shall demonstrate compliance with the following access standards: Enrollees with emergency needs within 15 minutes of presentation or telephone contact with Contractor or provider; Enrollees with urgent, non-emergency needs seen within 1 hour of presentation at a service delivery site or within 24 hours of telephone contact with Contractor or provider; Enrollees with persistent symptoms within 48 hours of reporting symptoms; Enrollees with the need for routine services within 4 weeks of the request for an appointment. (Reported quarterly as YTD)	
Standard	<u>Emergency:</u> within 15 minutes of presentation or telephone contact <u>Urgent:</u> within 1 hour of presentation or within 24 hours of telephone contact <u>Persistent Symptoms:</u> within 48 hours of reporting symptoms <u>Routine Services:</u> within 4 weeks of request for appointment

5. The Contractor shall demonstrate compliance with geographical standards of access (Urban--inpatient 30 minutes; outpatient 30 minutes. Rural--inpatient 45 minutes; outpatient 30 minutes).	
Standard	<u>Urban:</u> Inpatient 30 minutes; Outpatient 30 minutes <u>Rural:</u> Inpatient 45 minutes; Outpatient 30 minutes

6. The Contractor shall provide services to at least 16.0% of Iowa Plan Enrollees annually, reporting the unduplicated number and the percentage of Enrollees in the Iowa Plan receiving services.	
Numerator: The unduplicated number of Enrollees receiving at least once service reimbursed by the Contractor.  Denominator: Unduplicated number of Enrollees. <ul style="list-style-type: none"> <li>Also report using the following stratifications:               <ul style="list-style-type: none"> <li>Ages 0-12, 13-17, 18-64 and 65 and older</li> </ul> </li> </ul> Data Source: Claims and Enrollment.	
Standard	16.0% or more receive services annually Other Measures – Monitor Only

### Appropriateness

7. The average length of stay for Enrollee mental health inpatient services for any given month shall not exceed the ALOS previously under FFS (12.0 days) and shall not fall below 5.0 days for acute services unless explicitly agreed upon by the Departments with the Contractor.	Standard
ALOS less than 12 days, but not less than 5 days	

### Provider Satisfaction

8. The Contractor shall conduct an annual provider survey in which at least 80% of responding network providers indicate satisfaction, and shall report key findings to the Departments, including identified opportunities for improvement.	Standard
80% or more providers satisfied	

### 9. Quality of Care: Involuntary Hospitalization

The percent of involuntary admissions for mental health treatment to 24-hour inpatient settings shall not exceed 10% of all child admissions and 5% of all adult admissions.

Numerator: The number of Enrollees involuntarily admitted for mental health treatment to all inpatient settings regardless of whether the Contractor authorized or is funding the hospitalization, broken out by children (ages 0-17), and adults (ages 18+)

Denominator: The number of Enrollees admitted for mental health treatment to all inpatient settings regardless of whether the Contractor is authorizing or is funding the hospitalization.

Data Source: Authorizations.

Standard

**10% child admissions are involuntary**

5% adult admissions are involuntary

### 10. Quality of Care: Inpatient Substance Abuse Treatment Readmission

**Rate of substance abuse inpatient readmission by Enrollee children and adults at 7, 30, and 90 days will be no higher than the following:**

7-day readmission: Children 3.5%; Adults 5%      30-day readmission: Children 9%; Adults 13%      90-day readmission: children: 17%; Adults 24%

Numerator: The number of Iowa Plan Enrollee inpatient readmissions within 7/30/90 days of discharge.

Denominator: The number of Iowa Plan Enrollee inpatient discharges that occur within the reporting periods, less 30 days.

Data Source: Claims.

Standard	7-day readmission children: 3.5% adults: 5%	30-day readmission children: 9% adults: 13%	90-day readmission children: 17% adults: 24%
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11. Quality of Care: Readmission for Non-Inpatient Services

Rate of readmission by Iowa Plan eligible children and adults at 7, 30, and 90 days substance abuse residential III.3 and III.5 for which there are at least 30 discharges per month.

Numerator: The number of substance abuse residential readmissions within 7/30/90 days of discharge.

Denominator: The number of discharges that occur within the reporting periods, less 7,30 and 90 days.

Data Source: Claims.

Standard	7-day readmission Monitor Only	30-day readmission Monitor Only	90-day readmission Monitor Only
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12. Quality of Care: Antidepressant Medication Management

48% of Enrollees 18 years of age and older who were newly diagnosed with and treated for a new episode of major depression remained on antidepressant medication for at least 84 days (12 weeks)

32% of Enrollees 18 years of age and older who were newly diagnosed with and treated for a new episode of major depression remained on an antidepressant medication for at least 180 days (six months)

Numerator and Denominator: Utilize HEDIS 2009 specifications for the measure “Antidepressant Medication Management”

Data Source: Claims and Enrollment.

\* The Contractor shall be responsible for generating these measures only after DHS has provided the Contractor with the pharmacy claims data necessary to calculate these measures. “Remained on” is based on a prescription refill.

Standard	48% of adult Enrollees remained on antidepressant medication for at least 84 days 32% of adult Enrollees remained on antidepressant medication for at least 180 days
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<p><u>13. Quality of Care: Initiation and Engagement of Alcohol and Other Drug Dependence Treatment</u>  50% of Enrollees with alcohol or other drug dependence (AOD) initiate treatment through an AOD outpatient assessment (first diagnosis) and receive a follow up treatment service within 14 days of the diagnosis</p> <p>75% of Enrollees with alcohol or other drug dependence (AOD), initiate treatment through an AOD outpatient assessment (first diagnosis) and receive a treatment service visits within 30 days of the diagnosis</p> <p>Numerator: Number of enrollees with an initial SA assessment paid claim that has follow up treatment(s) within the time parameters indicated above.</p> <p>Denominator: Number of enrollees with an initial SA assessment paid claim</p> <p>Data Source: Claims.</p>	
Standard	<p>50% of Enrollees receive a service within 14 days of the diagnosis</p> <p>75% of Enrollees receive a service visits within 30 days of the diagnosis</p>

<p><u>14. Quality of Care: Outcome Measurement – Medicaid Adults and Older Adolescents</u>  The Contractor shall support Medicaid adult Enrollees such that at least 50% of adults receiving Iowa Plan outpatient services report improvement in emotional health as reported by comparison of initial and most recent assessment using the Consumer Health Inventory (CHI).</p> <p>Numerator: The total number of Enrollees, age 14 or older, that have at least 2 CHI scores with the most recent during the reporting period, where improvement is shown from the first to the most recent score.</p> <p>Denominator: The total number of Enrollees, age 14 or older, that have at least 2 CHI scores with the most recent during the reporting period.</p> <p>Data Source: CHI Outcomes Assessment Report</p>	
Standard	Report aggregate improvement from initial to follow up administration

<p><u>15. Quality of Care: Outcome Measurement – Medicaid Children and Adolescents</u>  The Contractor shall support Medicaid child and adolescent Enrollees such that at least 50% of children and adolescents receiving Iowa Plan outpatient services report improvement in the psychosocial domain as reported by comparison of initial and most recent assessment using the Consumer Health Inventory for Children (CHI-C).</p> <p>Numerator: : The total number of Enrollees, age 0 - 17, that have at least 2 CHI scores with the most recent during the reporting period, where improvement is shown from the first to the most recent score.</p> <p>Denominator: The total number of Enrollees, age 0 - 17, that have at least 2 CHI scores with the most recent during the reporting period.</p> <p>Data Source: CHI-C Outcomes Assessment Report</p>		
Standard	Report aggregate improvement from initial to follow up administration	

<p><u>16. Quality of Care: Outcome Measurement – IDPH Adults and Older Adolescents</u>  The Contractor shall support IDPH adult and older adolescent Participants such that at least 50% of adults receiving Iowa Plan substance abuse services report improvement in emotional health as reported by comparison of initial and most recent assessment using the Consumer Health Inventory (CHI).</p> <p>Numerator: : The total number of Participants, age 14 or older, that have at least 2 CHI scores with the most recent during the reporting period, where improvement is shown from the first to most recent score.</p> <p>Denominator: The total number of Participants, age 14 or older, that have at least 2 CHI scores with the most recent during the reporting period.</p> <p>Data Source: CHI Outcomes Assessment Report</p>		
Standard	Report aggregate improvement from initial to follow up administration	

17. <u>Quality of Care: Outcome Measurement – IDPH Juveniles</u> The Contractor shall support IDPH child and adolescent Participants such that at least 50% of children and adolescents receiving Iowa Plan substance abuse services report improvement in the psychosocial domain as reported by comparison of initial and most recent assessment using the Consumer Health Inventory for Children (CHI-C).		
Numerator: : The total number of Participants, age 0 - 17, that have at least 2 CHI scores with the most recent during the reporting period, where improvement is shown from the first to most recent score.		
Denominator: The total number of Participants, age 0 - 17, that have at least 2 CHI scores with the most recent during the reporting period.		
Data Source: CHI-C Outcomes Assessment Report	Standard	Report aggregate improvement from initial to follow up administration
18. <u>Quality of Care: PCP Coordination</u> The Contractor shall measure the frequency with which network providers communicate with PCPs regarding Enrollees whom they are both treating.		
Numerator: The number of randomly sampled network treatment records reviewed during the reporting period where communication between the network provider and PCP is documented to have occurred.		
Denominator: The number of treatment records that were reviewed during the reporting period.		
Data Source: Sampled Network Treatment Records.	Standard	More than 70% of Treatment Record Document Communication to the PCP
19. <u>Quality of Care: Psychotropic Medication Screening</u> The Contractor shall identify medication utilization that deviates from current clinical practice guidelines; specifically, the Contractor shall report quarterly and year-to-date instances of three or more drugs in the same class being prescribed per enrollee		
Standard	Monitor Only	



20. <u>Quality of Care: Return to the Community for Children in PMICS</u> The Contractor shall measure its performance in helping children return to the community by tracking average Iowa Plan Enrollee length of stay in PMICs for mental health services.	
Numerator: The number of days of mental health stay in PMICs by Iowa Plan child and adolescent Enrollees Denominator: The number of Iowa Plan child and adolescent Enrollees with a PMIC mental health inpatient stay	
Data Source: - As reported by IME/Medical Services Quarterly	
Standard	Monitor Only

21. <u>Quality of Care: Treatment of the Dually Diagnosed</u> The Contractor shall increase the percentage of dually diagnosed Enrollees discharged from inpatient substance abuse and mental health treatment settings such that at least 75% of discharged Enrollees receive either a substance abuse or mental health service within 7 days of discharge.	
Numerator: Dually diagnosed Enrollees discharged from either an inpatient substance abuse or a mental health treatment setting who received either substance abuse or mental health services within 7 days of discharge. Enrollees with both Medicaid and Medicare are excluded.	
Denominator: Dually diagnosed Enrollees discharged from either an inpatient substance abuse or a mental health treatment setting. Enrollees with both Medicaid and Medicare are excluded.	
Data Source: Authorizations, ICM Database, Claims Data.	
Standard	75% receive MH or SA treatment follow-up within 7 days

22. <u>Inpatient Concordance Rate - Initial</u> The Contractor shall monitor its performance in the rate of concordance with facility requests for inpatient mental health care. This will be for community-based facilities and will not include the state MHI's.	
Numerator: The number of initial requests for mental health inpatient treatment that the contractor receives from facilities and authorizes a 24-hour level of care.	
Denominator: The number of initial requests for mental health inpatient treatment that the contractor receives from facilities.	
Data Source: Authorizations	
Standard	Monitor Only